



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.22.3

NOVEMBER 13, 2025

EFFECTIVE DATE

(01-01-2026)

PURPOSE

- (1) This transmits revised IRM 3.22.3, International Error Resolution - Individual Income Tax Returns.

MATERIAL CHANGES

- (1) IRM 3.22.3.2 Updated General Guidelines for Tax Examiners with the following information:
 - a. Form 1040-SS(sp) will be removed from 3.22.3 as guidance for that form is the same as for Form 1040-SS however, all correction procedures will apply equally to Form 1040-SS (sp) and Form 1040-SS.
 - b. Added table showing deleted/obsoleted forms and tax year of form was obsoleted as well as the processing year the forms were deleted from ERS screens.
 - c. Updated format of Form 1040-SS.
- (2) IRM 3.22.3.3 Updated titles of various international income and withholding statements.
- (3) IRM 3.22.3.17.1(1) Added Field 03OTX. IPU 25U0344 issued 03-12-2025.
- (4) IRM 3.22.3.17.24(1) Added Field 03OTX. IPU 25U0344 issued 03-12-2025.
- (5) IRM 3.22.3.144.3(11) Added waiver countries for TY24. IPU 25U0344 issued 03-12-2025.
- (6) IRM 3.22.3.145.3(6) Added waiver countries for TY24. IPU 25U0344 issued 03-12-2025.
- (7) IRM 3.22.3.146.3(6) Added waiver countries for TY24. IPU 25U0344 issued 03-12-2025.
- (8) IRM 3.22.3.148.2(8) Updated reference to paragraph 9 instead of paragraph 8. IPU 25U0344 issued 03-12-2025.
- (9) IRM 3.22.3.169.2.3.1(3) Clarified what entries to accept. IPU 25U3268 issued 05-09-2025.
- (10) IRM 3.22.3.169.2.3.1(3) (a) Added waiver countries for TY24. IPU 25U0344 issued 03-12-2025.
- (11) IRM 3.22.3.232.3.4(3) Corrected typo “we” to “were”. IPU 25U0344 issued 03-12-2025.
- (12) IRM 3.22.3.243.1(1) Added Field 03OTX. IPU 25U0344 issued 03-12-2025.
- (13) IRM 3.22.3.246.1(1) Added Field 03OTX. IPU 25U0344 issued 03-12-2025.
- (14) IRM 3.22.3.252(3) Added information on TY21 qualification criteria and credit limits. IPU 25U0444 issued 04-14-2025
- (15) IRM 3.22.3.261.2.2(1) Corrected 05TYP entry from **Z** to **8** for Form 8689. IPU 25U3268 issued 05-09-2025.
- (16) IRM 3.22.3.262.4.1(3) Removed incorrect paragraph **a** from correspondence guidance. IPU 25U3268 issued 05-09-2025.
- (17) IRM 3.22.3.263(3) Added guidance for when there is a write-in on line 6 of Form 1040-SS. IPU 25U0344 issued 03-12-2025.

- (18) IRM 3.22.3 Editorial changes made throughout IRM 3.22.3 and updated to tax year 2025 annual inflation adjustments where applicable as listed below:
- a. Updated line numbers and field designators to reflect tax year 2025 changes to forms and ERS screens.
 - b. Updated links due to moving of subsections.
 - c. Maximum Foreign Earned Income Exclusion Amount (\$130,000.00).
 - d. Standard deductions for Single and Filing Separate taxpayer (\$15,000.00).
 - e. Social Security Withholding limit (\$)
- (19) IRM 3.22.3 Updated to reflect the following Section and Error Code changes:
- a. Section 36 - Form 8283 added.
 - b. Section 068 - Form 8910 deleted
 - c. Section 088 - Form 3471 added.
 - d. Error Code 062 - Late Filing Code/Received Date deleted.
 - e. Error Code 250/550 - Taxable Income deleted.
 - f. Error Code 251/551 - No Tax on Tips Deduction added.
 - g. Error Code 252/552 - Qualified Over Time Compensation Deduction added.
 - h. Error Code 253/553 - Car Loan Interest Deduction added.
 - i. Error Code 254/554 - Deduction For Seniors Deduction added.
 - j. Error Code 256/556 - Taxable Income instructions moved from Error Code 250/550 moved to Error Code 256/556
 - k. Error Code 290 - Child Tax Credit and Credit for Other Dependents deleted.
 - l. Error Code 292/592 - Energy Efficient Home Improvement Credit added.
 - m. Error Code 292 - Mortgage Interest Credit instructions moved to Error Code 293.
 - n. Error Code 298 - Motor Vehicle Credits Form 8936 instructions moved to Error Code 297.
 - o. Error Code 299 - Form 3800, 8801, and Other Credits instructions moved to Error Code 298.
 - p. Error Code 299 - Child Tax Credit and Credit for Other Dependents added.
- (20) IRM 3.22.3 Updated throughout to reflect the following fields moving to different sections and being updated with the new field names in the relevant error codes for PY26 :
- a. Field 01DSI moved from section 01 to section 03 and renamed 03DSI.
 - b. Fields 01DN1, 01DS1, 01CT1, 01DN2, 01DS2, 01CT2, 01DN3, 01DS3, 01CT3, 01DN4, 01DS4, and 01CT4 moved to section 02 and renamed accordingly.
 - c. Fields 02CD1, 02AM1, 02CD2, 02AM2, 02CD3, 02AM3, 02AGI, 02ITM, 02NI, 02TXA, 02RPD, 0206, 02PDP, 0208, 02W2A, and 02W2B moved to section 88 and renamed accordingly.
 - d. Field 47OEI moved to section 03 and renamed to 03OEI.
- (21) IRM 3.22.3 Updated throughout to remove from sections and error codes the following fields: 05AMC, 22IND, 221RG, 5604A, 5605A, 5605B, 5605C, 5606B, 5606C, 56BD2, 5606A, 56BD3.
- (22) Various editorial changes made throughout this IRM for clarity, neutral and plain language, and grammar. Cross-references, web addresses, legal references, and links were added, removed or revised as appropriate.

EFFECT ON OTHER DOCUMENTS

IRM 3.22.3 published on October 11, 2024 (effective January 1, 2025) is superseded. This IRM incorporates the following IRM Procedural Updates (IPUs): 25U0344 issued on 03/11/2025, 25U0444 issued on 04/10/2025, 25U3268 issued on 05/08/2025, 25U3648 issued on 10/20/2025.

AUDIENCE

Taxpayer Services International Error Resolution

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3.22.3

Individual Income Tax Returns

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- 3.22.3.53 Section 50 - Form 8863
- 3.22.3.54 Section 51 - Form 4952
- 3.22.3.55 Sections 52 and 53 - Form 8889
- 3.22.3.56 Section 54 - Form 8880
- 3.22.3.57 Section 55 - Form 8995/Form 8995-A
- 3.22.3.58 Section 56 - Form 8888
- 3.22.3.59 Section 57 - Form 8978
- 3.22.3.60 Section 58- Form 5405 First Time Home Buyer Credit/Repayment
- 3.22.3.61 Sections 61 and 62 - Form 8919
- 3.22.3.62 Section 63 - Form 8958

- 3.22.3.63 Section 64 - Reserved
- 3.22.3.64 Section 65 and 66 - Form 8941
- 3.22.3.65 Section 67 - Form 6252
- 3.22.3.66 Section 69 - Form 8936 and Form 8936 Schedule A
- 3.22.3.67 Section 70 - Form 8867
 - 3.22.3.67.1 Error Record Format, Section 70
- 3.22.3.68 Section 71 - Form 8959
 - 3.22.3.68.1 Error Record Format - Section 71
- 3.22.3.69 Section 72 - Form 8960 Net Investment Income Tax-Individuals, Estates, and Trusts
 - 3.22.3.69.1 Error Record Format - Section 72
- 3.22.3.70 Section 73 - Form 8962, Page 1
 - 3.22.3.70.1 Error Record Format - Section 73
- 3.22.3.71 Section 74 - Form 8962, Page 2
 - 3.22.3.71.1 Error Record Format - Section 74
- 3.22.3.72 Section 75- Form 5695
- 3.22.3.73 Section 76 - Form 965-A
- 3.22.3.74 Section 77 - Schedule LEP or Form 9000
- 3.22.3.75 Section 78 Form 8997 Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments
- 3.22.3.76 Section 79- Form 4136
- 3.22.3.77 Section 88 - Form 3471 Edit Sheet
 - 3.22.3.77.1 Error Record Format - Section 88
 - 3.22.3.77.2 Form 3471 - Unallowables on International Tax Returns
 - 3.22.3.77.3 Field 8808 Form 4563 Indicator
- 3.22.3.78 Section 94 - ERS Only Verified Fields
 - 3.22.3.78.1 Error Record Format - Section 94
 - 3.22.3.78.2 Field 94EXV Exemption Verified
 - 3.22.3.78.3 946EV Child Tax Credit Under Six Total Eligible Verified Number
 - 3.22.3.78.4 94SEV Deduction for SE Tax Verified
 - 3.22.3.78.5 94IRV IRA Deduction Verified
 - 3.22.3.78.6 94SLV Student Loan Interest Deduction Verified
 - 3.22.3.78.7 Field 94INV Taxable Income Verified
 - 3.22.3.78.8 Field 94TTV Tentative Tax Verified
 - 3.22.3.78.9 94ARV Advance Premium Tax Credit Repayment Verified
 - 3.22.3.78.10 94RTV Retirement Savings Contribution Verified
 - 3.22.3.78.11 Field 94CDV Child Tax and Other Dependent Credit Verified
 - 3.22.3.78.12 Field 94NRV Total Statutory Credits Verified
 - 3.22.3.78.13 Field 94TXV Total Tax Verified
 - 3.22.3.78.14 Field 94AIV Additional Child Tax Credit Earned income Verified Amount

- 3.22.3.78.15 Field 94ACV Additional Child Tax Credit Verified
- 3.22.3.78.16 94PTV Premium Tax Credit Verified
- 3.22.3.78.17 94RCV Refundable Child Care Credit Verified
- 3.22.3.79 Error Code 001 - End of Year Reformat
 - 3.22.3.79.1 Field Displayed - EC 001
- 3.22.3.80 Error Code 002 - Statute of Limitations (PY)
 - 3.22.3.80.1 Fields Displayed - EC 002
- 3.22.3.81 Error Code 003 - Check Digits/P-SSN
 - 3.22.3.81.1 Fields Displayed - EC 003
- 3.22.3.82 Error Code 004 - Name Control Mismatch/National Accounts Profile (NAP)
 - 3.22.3.82.1 Fields Displayed - EC 004
 - 3.22.3.82.2 Returns Filed Using the Streamlined Filing Compliance Procedures (EC 004)
 - 3.22.3.82.3 Correction Procedures - Form 1040-NR (EC 004)
- 3.22.3.83 Error Code 005 - Primary Name Control/TIN Match on Invalid Side
 - 3.22.3.83.1 Fields Displayed - EC 005
 - 3.22.3.83.2 Returns Filed Using the Streamlined Filing Compliance Procedures (EC 005)
- 3.22.3.84 Error Code 006 - First-Time Filers
 - 3.22.3.84.1 Fields Displayed - EC 006
- 3.22.3.85 Error Code 007 - Address Information Different
 - 3.22.3.85.1 Fields Displayed - EC 007
- 3.22.3.86 Error Code 008 - Marital Filing Status Change
 - 3.22.3.86.1 Fields Displayed - EC 008
- 3.22.3.87 Error Codes 009 - Entity Data and Check Digit/Name Control
 - 3.22.3.87.1 Fields Displayed - EC 009
- 3.22.3.88 Error Code 010 - Missing Spouse or Dependent TIN
 - 3.22.3.88.1 Fields Displayed - EC 010
 - 3.22.3.88.2 Returns Filed Using the Streamlined Filing Compliance Procedures
 - 3.22.3.88.3 Correction Procedures - EC 010
 - 3.22.3.88.3.1 Form 1040-NR - Correction Procedures Missing TIN for Spouse
 - 3.22.3.88.3.2 Form 1040-NR - Correction Procedures Missing TIN for Dependent
- 3.22.3.89 Error Code 011 - NAP Access Indicator
 - 3.22.3.89.1 Fields Displayed - EC 011
- 3.22.3.90 Error Code 012 - Spouse/Dependent TIN Validation
 - 3.22.3.90.1 Fields Displayed - EC 012
 - 3.22.3.90.2 Returns Filed Using the Streamlined Filing Compliance Procedures (EC 012)
 - 3.22.3.90.3 Correction Procedures - EC 012
 - 3.22.3.90.3.1 Form 1040-NR - Correction Procedures Spouse TIN Validation
 - 3.22.3.90.3.2 Form 1040-NR - Correction Procedures TIN Validation for Dependent
 - 3.22.3.90.3.3 Form 1040-SS - Claiming Additional Child Tax Credit

- 3.22.3.91 Error Code 013 - Duplicate TINs
 - 3.22.3.91.1 Fields Displayed - EC 013
- 3.22.3.92 Error Code 014 - Entity Data
 - 3.22.3.92.1 Field Displays - EC 014
- 3.22.3.93 Error Code 016 - FSC 2 No Ampersand
 - 3.22.3.93.1 Fields Displayed - EC 016
- 3.22.3.94 Error Code 017 - ITIN Expiration
 - 3.22.3.94.1 Fields Displayed - EC 017
 - 3.22.3.94.2 Correction Procedures - EC 017 Form 1040-SS
 - 3.22.3.94.3 Correction Procedures - EC 017 Form 1040-NR
- 3.22.3.95 Error Code 018 - Date of Death Is Prior to Tax Period
 - 3.22.3.95.1 Correction Procedures - EC 018 for Form 1040
 - 3.22.3.95.2 Correction Procedures - EC 018 for Form 1040-NR
- 3.22.3.96 Error Code 019 - Date of Birth is Greater Than Tax Period
 - 3.22.3.96.1 Fields Displayed - EC 019
- 3.22.3.97 Error Codes 020 - Major City Code
 - 3.22.3.97.1 Fields Displayed - EC 020
- 3.22.3.98 Error Code 021 - Major City Code/ZIP Code
 - 3.22.3.98.1 Field Displays - EC 021
- 3.22.3.99 Error Code 022 - State Code/ZIP Code
 - 3.22.3.99.1 Fields Displayed - EC 022
- 3.22.3.100 Error Code 023 - Reserved
- 3.22.3.101 Error Code 024 - Form 1040/Form 2555 without FLC 20
 - 3.22.3.101.1 Fields Displayed EC 024
 - 3.22.3.101.2 Invalid Conditions - EC 024
 - 3.22.3.101.3 Correction Procedures - EC 024
- 3.22.3.102 Error Code 025 - Post of Duty Code
 - 3.22.3.102.1 Fields Displayed - EC 025
 - 3.22.3.102.2 Invalid Conditions - EC 025
 - 3.22.3.102.3 Correction Procedures - EC 025
- 3.22.3.103 Error Code 026 - Computer Condition Code “L” or “W” is Present
 - 3.22.3.103.1 Fields Displayed - EC 026
- 3.22.3.104 Error Code 028 - Decedent Return Check
 - 3.22.3.104.1 Fields Displayed - EC 028
- 3.22.3.105 Error Code 029 - Unclaimed Credits
 - 3.22.3.105.1 Fields Displayed - EC 029
- 3.22.3.106 Error Code 030 - ITIN Filers with Form W-2
 - 3.22.3.106.1 EC 030 - Fields Displayed
- 3.22.3.107 Error Code 032 - FSC 2/6 Exemptions

- 3.22.3.107.1 Fields Displayed - EC 032
- 3.22.3.108 Error Code 034 - FSC 4 or 5 - Exemptions
 - 3.22.3.108.1 Fields Displayed - EC 034
- 3.22.3.109 Error Code 038 - ScanPaper Literal
 - 3.22.3.109.1 Fields Displayed - EC 038
 - 3.22.3.109.2 Error Code 038 ScanPaper Literal Correction Procedures
- 3.22.3.110 Error Code 042 - Received Date
 - 3.22.3.110.1 Fields Displayed - EC 042
- 3.22.3.111 Error Code 046 - Fiscal Year Tax Period
- 3.22.3.112 Error Code 048 - Amended Return
 - 3.22.3.112.1 Fields Displayed - EC 048
- 3.22.3.113 Error Code 050 - Preparer's Code
- 3.22.3.114 Error Code 051 - CCC "L" or "W" - FLC 20 (International Only)
 - 3.22.3.114.1 Fields Displayed - EC 051
 - 3.22.3.114.2 Invalid Conditions - EC 051
 - 3.22.3.114.3 Correction Procedures - EC 051
- 3.22.3.115 Error Code 052 - CCC "F" or "9" - FSC 2
 - 3.22.3.115.1 Fields Displayed - EC 052
- 3.22.3.116 Error Code 053 - FSC 2/DECD
- 3.22.3.117 Error Code 054 - RPC C Filing Status
 - 3.22.3.117.1 Fields Displayed - EC 054
- 3.22.3.118 Error Code 056 - FSC 2/CCC "F" or "9"
- 3.22.3.119 Error Code 058 - Return Processed Date (RPD)
- 3.22.3.120 Error Code 064 - Pre-Determined Delinquency Penalty/Received Date
 - 3.22.3.120.1 Fields Displayed - EC 064
- 3.22.3.121 Error Code 067 - Reconcile ACA Data
- 3.22.3.122 Error Code 070 - At-Risk Code-Schedule C
- 3.22.3.123 Error Code 072 - At-Risk Code-Schedule F
- 3.22.3.124 Error Code 073 - Schedule C/Schedule F At Risk
 - 3.22.3.124.1 Fields Displayed - EC 073
- 3.22.3.125 Error Code 074 - Cash and Accrual
- 3.22.3.126 Error Code 075 to 084
- 3.22.3.127 Error Code 085 - Foreign Tax Credit Form 1116
 - 3.22.3.127.1 Fields Displayed - EC 085
 - 3.22.3.127.2 Error Code 085 - Foreign Tax Credit Form 1116
- 3.22.3.128 Error Code 087 Schedule SE and RPC N or S
- 3.22.3.129 Error Code 088 - Self-Employment Tax Liability
 - 3.22.3.129.1 Correction Procedures - EC 088 - Form 1040
- 3.22.3.130 Error Code 089 - SE Method

- 3.22.3.130.1 Fields Displayed - EC 089
- 3.22.3.131 Error Code 090 - 093
- 3.22.3.132 Error Code 094 - SE SSN Not Equal to Secondary SSN
- 3.22.3.133 Error Codes 095 through 099
- 3.22.3.134 Error Code 100 - Form 8941, Primary or Secondary TIN Mismatch
- 3.22.3.135 Error Code 101 - Form 8941, SHOP Checkbox
- 3.22.3.136 Error Codes 102 through 113
- 3.22.3.137 Error Code 116 - Withholding Equals Regulated Investment Company Credit or Total Tax
 - 3.22.3.137.1 Fields Displayed - EC 116
- 3.22.3.138 Error Code 118 - Withholding and Income Comparison
 - 3.22.3.138.1 Fields Displayed - EC 118
 - 3.22.3.138.2 Invalid Condition - EC 118
 - 3.22.3.138.3 Correction Procedures - EC 118
- 3.22.3.139 Error Code 122 - CCC "G", "B" or RPC "L" Not Present/Zero Return
 - 3.22.3.139.1 Fields Displayed - EC 122
- 3.22.3.140 Error Code 123 - Non-Compute Code 2 and Preparer's Data Present
 - 3.22.3.140.1 Fields Displayed - EC 123
- 3.22.3.141 Error Code 124 CCC "A", "F" or "9"
- 3.22.3.142 Error Codes 130 - 146
- 3.22.3.143 Error Code 148 - Form 2555 Incompatible Residency Dates
 - 3.22.3.143.1 Fields Displayed - EC 148
 - 3.22.3.143.2 Invalid Conditions - EC 148
 - 3.22.3.143.3 Correction Procedures - EC 148
- 3.22.3.144 Error Code 150 - Form 2555(Section 34), Residency Dates Missing
 - 3.22.3.144.1 Fields Displayed - EC 150
 - 3.22.3.144.2 Invalid Conditions - EC 150
 - 3.22.3.144.3 Correction Procedures - EC 150
- 3.22.3.145 Error Code 152 - Form 2555 (Section 35), Residency Dates Missing
 - 3.22.3.145.1 Fields Displayed - EC 152
 - 3.22.3.145.2 Invalid Conditions - EC 152
 - 3.22.3.145.3 Correction Procedures - EC 152
- 3.22.3.146 Error Code 154 - Form 2555 and Foreign Income Exclusion
 - 3.22.3.146.1 Fields Displayed - EC 154
 - 3.22.3.146.2 Invalid Conditions - EC 154
 - 3.22.3.146.3 Correction Procedures - EC 154
- 3.22.3.147 Error Code 156 - Questionable Earned Income on Form 2555 Form 1040
 - 3.22.3.147.1 Fields Displayed - EC 156
 - 3.22.3.147.2 Correction Procedures (EC 156)
- 3.22.3.148 Error Codes 158 - 160

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- 3.22.3.149 Error Code 161 - Schedule H Present Prior to 199512 or Loose Schedule H Present
 - 3.22.3.149.1 Fields Displayed - EC 161
 - 3.22.3.150 Error Codes 162 - 187 - Schedule H, Household Employment Taxes
 - 3.22.3.151 Error Code 188 - Form 965-A ERS Validation TY 2018 and Later
 - 3.22.3.151.1 Fields Displayed - EC 188
 - 3.22.3.151.2 Correction Procedures EC 188 Form 1040-NR and Dual-Status Form 1040-NR
 - 3.22.3.152 Error Code 189 - Form 8962 - Verification of Potentially Excessive Amounts (ACA)
 - 3.22.3.153 Error Code 190 - Form 8962, *Premium Tax Credit*, Not Present and Advance Premium Tax Credit
 - 3.22.3.153.1 Fields Displayed - EC 190
 - 3.22.3.153.2 Error Code 190 - Form 1040-SS (sp) and Form 1040-SS Correction Procedures, Reply Procedures, and No Reply Procedures
 - 3.22.3.154 Error Codes 191-199 - Form 8962, *Premium Tax Credit*
 - 3.22.3.155 Error Code 202/502 - Schedule C
 - 3.22.3.155.1 Fields Displayed - EC 202
 - 3.22.3.155.2 Correction Procedures - EC 202
 - 3.22.3.156 Error Code 203 - Schedule D/RPC "T"
 - 3.22.3.157 Fields Displayed - EC 203 Schedule D and RPC T
 - 3.22.3.158 Error Code 204/504 - Schedule D
 - 3.22.3.158.1 Fields Displayed - EC 204/504
 - 3.22.3.158.2 Correction Procedures - EC 204 Form 1040-NR
 - 3.22.3.158.3 Allowable Taxpayer Notice Codes - EC 204
 - 3.22.3.159 Error Code 206/506 - Schedule E
 - 3.22.3.159.1 Fields Displayed - EC 206
 - 3.22.3.160 Error Code 208/508 - Schedule F
 - 3.22.3.160.1 Fields Displayed - EC 208
 - 3.22.3.161 Error Code 209 - Combined SE Tax
 - 3.22.3.161.1 Fields Displayed - EC 209
 - 3.22.3.161.2 Invalid Conditions - EC 209
 - 3.22.3.161.3 Correction Procedures - EC 209 Form 1040 and Form 1040-NR
 - 3.22.3.161.4 Correction Procedures - EC 209 Form 1040-SS (sp)/Form 1040-SS
 - 3.22.3.161.5 Allowable Taxpayer Notice Codes - EC 209
 - 3.22.3.162 Error Code 210 - SE Tax Verified Present-SE Income Computer Zero
 - 3.22.3.162.1 Fields Displayed - EC 210
 - 3.22.3.163 Error Code 211/511 - Deduction for Self-Employment Tax
 - 3.22.3.163.1 Fields Displayed - EC 211
 - 3.22.3.163.2 Correction Procedures EC 211
 - 3.22.3.163.3 Allowable Taxpayer Notice Codes - EC 211
 - 3.22.3.164 Error Code 214/514 - Taxable Social Security
 - 3.22.3.164.1 Correction Procedures - EC 214

- 3.22.3.164.2 Allowable Taxpayer Notice Codes - EC 214
- 3.22.3.165 Error Code 215 - Validation on MeF Form 1040-NR
 - 3.22.3.165.1 Fields Displayed - EC 215
 - 3.22.3.165.2 Correction Procedures - EC 215 Form 1040-NR
- 3.22.3.166 Error Code 216 - Form 2555 Social Security Benefits Present on Form 1040
 - 3.22.3.166.1 Fields Displayed - EC 216
 - 3.22.3.166.2 Invalid Conditions - EC 216
 - 3.22.3.166.3 Correction Procedures - EC 216
- 3.22.3.167 Error Code 217 - Total Income \$1,000,000,000
 - 3.22.3.167.1 Fields Displayed - EC 217
- 3.22.3.168 Error Code 218/518 - Total Income Difference
 - 3.22.3.168.1 Fields Displayed - EC 218
 - 3.22.3.168.2 Correction Procedures - EC 218
 - 3.22.3.168.2.1 Employees of Foreign Governments or International Organizations
 - 3.22.3.168.2.2 Correction Procedures for EC 218 Form 1040-NR
 - 3.22.3.168.2.2.1 Correction Procedures for EC 218 Form 1040-NR
 - 3.22.3.168.2.2.2 J-1 Visa Exchange Visitor Program
 - 3.22.3.168.2.3 Correction Procedures for EC 218 Form 1040
 - 3.22.3.168.2.3.1 Excluding income using IRC 911 or Form 2555
 - 3.22.3.168.2.3.2 IRC 931, IRC 933, or Form 4563
 - 3.22.3.168.2.3.3 Tax Treaty Claimed on Form 1040
 - 3.22.3.168.2.3.4 Taxable Social Security Benefits on Form 1040
 - 3.22.3.168.2.4 Correction Procedures for EC 218 for Dual-status Returns
 - 3.22.3.168.3 Allowable Taxpayer Notice Codes - EC 218
- 3.22.3.169 Error Code 220/520 - Educator Expense
 - 3.22.3.169.1 Fields Displayed - EC 220
- 3.22.3.170 Error Code 222/522 - IRA Payments
 - 3.22.3.170.1 Fields Displayed - EC 222
- 3.22.3.171 Error Code 224/524 - Student Loan Interest Deduction
 - 3.22.3.171.1 Fields Displayed - EC 224
- 3.22.3.172 Error Code 226/526 - Health Savings Account
 - 3.22.3.172.1 Fields Displayed - EC 226
- 3.22.3.173 Error Code 227/527 - MSA Deduction
 - 3.22.3.173.1 Fields Displayed - EC 227
- 3.22.3.174 Error Code 229/529 - Total Adjustments Difference
 - 3.22.3.174.1 Fields Displayed - EC 229
 - 3.22.3.174.2 Correction Procedures - EC 229
 - 3.22.3.174.2.1 Correction Procedures EC 229 - Form 1040
 - 3.22.3.174.2.2 Correction Procedures EC 229 - Form 1040-NR

- 3.22.3.174.2.3 Correction Procedures EC 229 - Dual-Status Form 1040-NR
- 3.22.3.174.3 Allowable Taxpayer Notice Codes - EC 229
- 3.22.3.175 Error Code 230/530 - Adjusted Gross Income
 - 3.22.3.175.1 Fields Displayed - EC 230
 - 3.22.3.175.2 Correction Procedures - EC 230
 - 3.22.3.175.2.1 Correction Procedures EC 230 - Form 1040
 - 3.22.3.175.2.2 Correction Procedures EC 230 - Form 1040-NR
 - 3.22.3.175.3 Allowable Taxpayer Notice Codes - EC 230
- 3.22.3.176 Error Code 231 - Form 8962 Discrepancy
 - 3.22.3.176.1 Fields Displayed - EC 231
 - 3.22.3.176.2 Allowable Taxpayer Notice Codes EC 231
- 3.22.3.177 Error Code 232 Medical Deduction Form 1040 Schedule A
- 3.22.3.178 Error Code 236 - Total Taxes Real Estate and/or State and Local Tax
 - 3.22.3.178.1 Fields Displayed - EC 236- Form 1040-NR
 - 3.22.3.178.2 Correction Procedures EC 236 - Form 1040-NR
 - 3.22.3.178.3 Form 1040 - Foreign Tax Deduction on Schedule A
 - 3.22.3.178.4 Allowable Taxpayer Notice Codes - EC 236
- 3.22.3.179 Error Code 238 - Taxpayer's Total Interest Deduction Form 1040 Schedule A
- 3.22.3.180 Error Code 240/540 - Total Contributions
 - 3.22.3.180.1 Fields Displayed - EC 240
 - 3.22.3.180.2 Correction Procedures - EC 540 Form 1040-NR
 - 3.22.3.180.3 Allowable Taxpayer Notice Codes - EC 240
- 3.22.3.181 Error Code 242/542 - Casualty or Theft Loss (Form 4684)
 - 3.22.3.181.1 Fields Displayed - EC 242
 - 3.22.3.181.2 Allowable Taxpayer Notice Codes - EC 242
- 3.22.3.182 Error Code 244/544 - Reserved
- 3.22.3.183 Error Code 246/546 - Total Itemized Deductions
 - 3.22.3.183.1 Fields Displayed - EC 246
 - 3.22.3.183.2 Correction Procedures - EC 246 - Form 1040-NR
 - 3.22.3.183.3 Allowable Taxpayer Notice Codes - EC 246
- 3.22.3.184 Error Code 248 - Qualified Business Income Deduction Qualification
 - 3.22.3.184.1 Fields Displayed - EC 248
- 3.22.3.185 Error Code 249/549 - Qualified Business Income Deduction Limitation
 - 3.22.3.185.1 Fields Displayed - Error Code 249/549
 - 3.22.3.185.2 EC 249 - IRC 933 or Income Excluded from Puerto Rico
 - 3.22.3.185.3 EC 249 - Form 1040-NR Residents of India
- 3.22.3.186 Error Code 251/551 - Total Qualified Tips Income Deduction
- 3.22.3.187 Error Code 252/552 - Qualified Overtime Compensation Deduction
- 3.22.3.188 Error Code 253/553 - Car Loan Interest Deduction

- 3.22.3.189 Error Code 254/554 - Deduction for Seniors
- 3.22.3.190 Error Code 256/556 - Taxable Income
 - 3.22.3.190.1 Fields Displayed - Error Code 256/556
 - 3.22.3.190.2 Correction Procedures - EC 256
 - 3.22.3.190.2.1 Correction Procedures EC 256 - Form 1040
 - 3.22.3.190.2.1.1 Qualified Disaster Losses and Standard Deduction
 - 3.22.3.190.2.1.2 EC 256 - IRC 931 or Form 4563
 - 3.22.3.190.2.1.3 EC 256 - IRC 933 or Income Excluded from Puerto Rico
 - 3.22.3.190.2.1.4 EC 256- Form 2555
 - 3.22.3.190.2.1.5 EC 256 - Tax Treaty Claimed (Form 1040)
 - 3.22.3.190.2.1.6 EC 256 - TY 2017 and prior, FS 4 and Exemption for Spouse
 - 3.22.3.190.2.2 Correction Procedures EC 256 - Form 1040-NR
 - 3.22.3.190.2.2.1 EC 256 - Standard Deduction for Residents of India (Form 1040-NR)
 - 3.22.3.190.2.2.2 EC 256 - Standard Deduction and Itemized Deductions (other than Residents of India)
 - 3.22.3.190.2.2.3 EC 256 - TY 2017 and prior, Exemptions
 - 3.22.3.190.2.2.4 EC 256 - Taxable Income Computation Error
 - 3.22.3.190.2.3 Correction Procedures EC 256 - Dual Status
 - 3.22.3.190.2.3.1 EC 256 - Filing Status for Dual-Status
 - 3.22.3.190.2.3.2 EC 256 - TY 2017 and prior, Exemptions for Dual-Status
 - 3.22.3.190.2.3.3 EC 256 - Dual-status and Excluding Income
 - 3.22.3.191 Error Code 257 - Form 8615 Deductions
 - 3.22.3.191.1 Fields Displayed - EC 257
 - 3.22.3.192 Error Code 258/558 - Form 8615 Tax
 - 3.22.3.192.1 Fields Displayed - EC 258
 - 3.22.3.193 Error Code 260 - CCC "Y"
 - 3.22.3.193.1 Fields Displayed - EC 260
 - 3.22.3.193.2 Correction Procedures - CCC Y on Modernized E-File (MeF) Returns
 - 3.22.3.193.2.1 Prior Year Form 1040, 1040-PR and Form 1040-SS (MeF Only)
 - 3.22.3.193.2.2 Form 1040 with Form 8833 Present (MeF Only)
 - 3.22.3.193.2.3 Form 1040 with Form SSA/RRB 1042-S (MeF Only)
 - 3.22.3.193.3 Correction Procedures- CCC Y on Dual-Status Form 1040
 - 3.22.3.193.4 Correction Procedures - Form 1040-NR with U.S. - Canada Tax Treaty Article XXV Claim
 - 3.22.3.193.5 Community Property Returns - Form 1040-NR
 - 3.22.3.193.6 Manual Refunds
 - 3.22.3.193.7 Short Period Tax Returns
 - 3.22.3.194 Error Code 261/561 - Form 8814 Tax (Section 40)
 - 3.22.3.194.1 Fields Displayed - EC 261
 - 3.22.3.195 Error Code 262/562 - Form 8814 Tax (Section 41)
 - 3.22.3.195.1 Fields Displayed - EC 262

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- 3.22.3.196 Error Code 263/563 - Form 8814 Tax (Section 42)
 - 3.22.3.196.1 Fields Displayed - EC 263
 - 3.22.3.197 Error Code 264/564 - Tax on Lump Sum Distribution Form 4972
 - 3.22.3.197.1 Fields Displayed - EC 264
 - 3.22.3.198 Error Code 265/565 - Tentative Tax
 - 3.22.3.198.1 Fields Displayed - EC 265
 - 3.22.3.198.2 Correction Procedures - EC 265 Form 1040-NR
 - 3.22.3.198.3 Correction Procedures - EC 265 Form 1040 with Form 2555
 - 3.22.3.198.4 Correction Procedures - EC 265 Dual-status Return
 - 3.22.3.198.5 Correction Procedures - EC 265 - All Other Forms
 - 3.22.3.198.6 Correction Procedures - EC 565
 - 3.22.3.198.7 Allowable Taxpayer Notice Codes EC 265
 - 3.22.3.199 Error Code 266/566 - Tentative Tax Form 2555
 - 3.22.3.199.1 Fields Displayed - EC 266
 - 3.22.3.199.2 Invalid Conditions - EC 266
 - 3.22.3.199.3 Correction Procedures - EC 266 Form 1040 with Form 2555
 - 3.22.3.199.4 Allowable Taxpayer Notice Codes EC 266
 - 3.22.3.200 Error Code 267 - Alternative Minimum Tax
 - 3.22.3.200.1 Fields Displayed - EC 267
 - 3.22.3.200.2 Correction Procedures - EC 267 Form 1040-NR
 - 3.22.3.200.3 Correction Procedures - EC 267 Form 1040
 - 3.22.3.200.4 Allowable Taxpayer Notice Codes - EC 267
 - 3.22.3.201 Error Code 268 - Alternative Minimum Tax Liability
 - 3.22.3.201.1 Fields Displayed - EC 268
 - 3.22.3.201.2 Correction Procedures - EC 268
 - 3.22.3.202 Error Code 269, Audit Code P or RPC Z
 - 3.22.3.203 Error Code 270 - Advanced Premium Tax Credit (APTC) reported and no Form 8962 attached
 - 3.22.3.204 Error Code 271 - Form 8962 Monthly Contribution Amount
 - 3.22.3.204.1 Allowable Taxpayer Notice Codes - EC 271
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 - 3.22.3.205.1 Allowable Taxpayer Notice Codes - EC 272
 - 3.22.3.206 Error Code 273 - Form 8962 Primary/Spouse ACM Monthly Contribution Differs
 - 3.22.3.207 Error Code 274 - Form 8962 Annual/Monthly Premium Tax Credit
 - 3.22.3.207.1 Correction Procedures - EC 274
 - 3.22.3.207.2 Allowable Taxpayer Notice Codes - EC 274
 - 3.22.3.208 Error Code 275 - Form 8962 Advanced Premium Tax Credit Monthly Payments
 - 3.22.3.208.1 Allowable Taxpayer Notice Codes - EC 275
 - 3.22.3.209 Error Code 276 - Form 8962 Advance Premium Tax Credit Repayment
 - 3.22.3.209.1 Allowable Taxpayer Notice Codes - EC 276

- 3.22.3.210 Error Code 277/577 - Foreign Tax Credit
 - 3.22.3.210.1 Fields Displayed - EC 277
 - 3.22.3.210.2 Correction Procedures - EC 277
 - 3.22.3.210.3 Allowable Taxpayer Notice Codes - EC 277
- 3.22.3.211 Error Code 278 - Transcription in Dollars Only, Adjusted Gross Income and Child Care Credit
 - 3.22.3.211.1 Fields Displayed - EC 278
- 3.22.3.212 Error Code 279 Child and Dependent Care Credit Eligibility
- 3.22.3.213 Error Code 280/580 - Child and Dependent Care Credit
 - 3.22.3.213.1 Fields Displayed - EC 280
 - 3.22.3.213.2 Correction Procedures - EC 280 and Form 1040 with Form 2555
 - 3.22.3.213.3 Correction Procedures - EC 280 and Form 1040-NR
 - 3.22.3.213.4 Allowable Taxpayer Notice Codes - EC 280
- 3.22.3.214 Error Code 281-285
- 3.22.3.215 Error Code 286 - Retirement Savings Contribution Credit
 - 3.22.3.215.1 Fields Displayed - EC 286
- 3.22.3.216 Error Code 287 - TIN Validation and Eligibility of Dependents for Child Tax Credit, Additional Child Tax Credit, and Credit for Other Dependents
 - 3.22.3.216.1 Fields Displayed - EC 287
 - 3.22.3.216.2 Correction Procedures - EC 287 - Form 1040-NR
 - 3.22.3.216.2.1 Correction Procedures EC 287 - Form 1040-NR TY 201812 and Later
 - 3.22.3.216.2.2 Correction Procedures EC 287 - Form 1040-NR TY 201712 and Prior
 - 3.22.3.216.3 Correction Procedures EC 287 - Form 1040 With Income Exclusion
 - 3.22.3.216.3.1 Correction Procedures EC 287 - Form 1040 TY 201812 and Later
 - 3.22.3.216.3.2 Correction Procedures EC 287 - Form 1040 TY 201712 and Prior
 - 3.22.3.216.4 Correction Procedures EC 287 - Dual Status Returns
- 3.22.3.217 Error Code 288/588
- 3.22.3.218 Error Code 289 - Child Tax Credit and Credit for Other Dependents With Other Credits Present
 - 3.22.3.218.1 Fields Displayed - EC 289
- 3.22.3.219 Error Code 291/591 - Residential Energy Credit
- 3.22.3.220 Error Code 292/592 - Energy Efficient Home Improvement Credit
- 3.22.3.221 Error Code 293/593 - Mortgage Interest Credit
 - 3.22.3.221.1 Allowable Taxpayer Notice Codes - EC 293
- 3.22.3.222 Error Code 294/594 - Adoption Credit
 - 3.22.3.222.1 Fields Displayed - EC 294
 - 3.22.3.222.2 Correction Procedures - Adoption Credit and Form 1040 with Form 2555 (EC 294)
- 3.22.3.223 Error Code 296 - Questionable Adoption Credit
 - 3.22.3.223.1 Fields Displayed - EC 296
- 3.22.3.224 Error Code 297 - Motor Vehicle Credits Form 8936
- 3.22.3.225 Error Code 298 - Credits From Form 3800, Form 8801 and Other Credits

- 3.22.3.225.1 Error Code 298 - Form 1040-NR
- 3.22.3.225.2 Allowable Taxpayer Notice Codes - EC 298
- 3.22.3.226 Error Code 299 - Child Tax Credit and Credit for Other Dependents
 - 3.22.3.226.1 Fields Displayed - EC 299
 - 3.22.3.226.2 Correction Procedures - EC 299 - Form 1040-NR
 - 3.22.3.226.2.1 Correction Procedures - EC 299 - Form 1040-NR TY 2018 and Later
 - 3.22.3.226.2.2 Correction Procedures - EC 299 - Form 1040-NR TY 2017 and Prior
 - 3.22.3.226.3 Correction Procedure - EC 299 - Form 1040 With Income Exclusion
 - 3.22.3.226.3.1 Correction Procedure - EC 299 - Form 1040 With Income Exclusion - TY 201412 and Prior
 - 3.22.3.226.4 Correction Procedure - EC 299 - Dual Status Returns
 - 3.22.3.226.5 Allowable Taxpayer Notice Codes - EC 299
- 3.22.3.227 Error Code 300/600 - Other Statutory Credits
- 3.22.3.228 Error Code 301- Credit for Small Employer Health Insurance Premiums, Form 8941
 - 3.22.3.228.1 Fields Displayed - EC 301
- 3.22.3.229 Error Code 302/602 - Form 8936, Part II and Part V
- 3.22.3.230 Error Code 303 - General Business Credit
- 3.22.3.231 Error Code 308/608 - Credit for Prior Year Minimum Tax (Form 8801)
 - 3.22.3.231.1 Fields Displayed - EC 308
 - 3.22.3.231.2 Allowable Taxpayer Notice Codes - EC 308
- 3.22.3.232 Error Code 310/610 - Total Statutory Credits
 - 3.22.3.232.1 Fields Displayed - EC 310
 - 3.22.3.232.2 Correction Procedures - EC 310 Form 1040
 - 3.22.3.232.3 Correction Procedures - EC 310 Form 1040-NR
 - 3.22.3.232.4 Allowable Taxpayer Notice Codes - EC 310
- 3.22.3.233 Error Code 311 - Not Effectively Connected Income (NEC)
 - 3.22.3.233.1 Fields Displayed-Error Code 311
 - 3.22.3.233.2 Invalid Condition - EC 311
 - 3.22.3.233.3 Correction Procedures - EC 311
 - 3.22.3.233.3.1 NEC Tax Rate Validation
 - 3.22.3.233.3.2 EC 311 Pensions and Annuities on Form 1040-NR (Schedule NEC line 7)
 - 3.22.3.233.3.3 EC 311 Social Security Benefits on Form 1040-NR (Schedule NEC line 8)
 - 3.22.3.233.3.4 EC 311 Capital Gains and Losses on Form 1040-NR (Schedule NEC line 9 and line 18)
 - 3.22.3.233.3.5 EC 311 Gambling Income and Losses on Form 1040-NR (Schedule NEC line 10 and 11)
 - 3.22.3.233.4 Allowable Taxpayer Notice Codes - EC 311
- 3.22.3.234 Error Code 314 - Form 4137 Social Security and Medicare Tax on Unreported Income
 - 3.22.3.234.1 Fields Displayed - EC 314
- 3.22.3.235 Error Code 316 - Form 4137 Tax Verified Present - Unreported Tips Computer Zero
 - 3.22.3.235.1 Fields Displayed - EC 316
- 3.22.3.236 Error Code 318 - Additional Tax On IRA

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- 3.22.3.237 Error Code 322/622 - Schedule H Social Security, Medicare, and Federal Income Taxes
 - 3.22.3.237.1 Fields Displayed - EC 322
 - 3.22.3.237.2 Allowable Taxpayer Notice Codes - EC 322 - Form 1040-SS (sp)/1040-SS
 - 3.22.3.238 Error Code 324/624 - Schedule H Federal Unemployment Tax Act (FUTA) Tax Reported
 - 3.22.3.238.1 Fields Displayed - EC 324
 - 3.22.3.238.2 Allowable Taxpayer Notice Codes - EC 324 - Form 1040-SS (sp)/Form 1040-SS
 - 3.22.3.239 Error Code 326/626 - Schedule H Net Tax
 - 3.22.3.239.1 Fields Displayed - EC 326
 - 3.22.3.239.2 Allowable Taxpayer Notice Codes - EC 326 - Form 1040-SS (sp)
 - 3.22.3.240 Error Code 327- Schedule H Tax With No Income
 - 3.22.3.241 Error Code 328 - Repayment of the First-Time Homebuyer's Credit Form 5405 required on Forms other than Form 1040
 - 3.22.3.241.1 Fields Displayed - EC 328
 - 3.22.3.241.2 Field PNRI>/SNRI> - FTHBC Primary/Secondary NAP Repayment Installment
 - 3.22.3.242 Error Code 329 - Repayment of the First-Time Homebuyer Credit (Form 5405)
 - 3.22.3.242.1 Fields Displayed - EC 329
 - 3.22.3.242.2 Allowable Taxpayer Notice Codes - EC 329
 - 3.22.3.243 Error Code 330 - Form 8889 Tax
 - 3.22.3.243.1 Fields Displayed - EC 330
 - 3.22.3.244 Error Code 331 - Form 8959 Additional Medicare Tax
 - 3.22.3.244.1 Fields Displayed - EC 331
 - 3.22.3.244.2 Correction Procedures - Form 8959 and Form 1040-SS (sp) and Form 1040-SS
 - 3.22.3.245 Error Code 332 Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts
 - 3.22.3.245.1 Fields Displayed - EC 332
 - 3.22.3.245.2 Correction Procedures for Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts - Dual-Status
 - 3.22.3.246 Error Code 333 - Form 8959 and Form 8960 and Other Taxes (Schedule 2, Line 18, Form 1040 and Form 1040-NR)
 - 3.22.3.246.1 Fields Displayed - EC 333
 - 3.22.3.246.2 Correction Procedures - Form 8960, Net Investment Income Tax-Individuals, Estates, and Trusts, Form 1040 (EC 333)
 - 3.22.3.246.3 Correction Procedures - Form 8959, Additional Medicare Tax, on Form 1040-NR (EC 333)
 - 3.22.3.246.4 Correction Procedures - Dual-Status Form 1040-NR Shared Responsibility Payment
 - 3.22.3.246.5 Correction Procedures - Form 8959 and Form 8960 and Other Taxes, Line 18, Schedule 2, Form 1040-NR
 - 3.22.3.246.6 Allowable Taxpayer Notice Codes - EC 333
 - 3.22.3.247 Error Code 334 - Total Tax
 - 3.22.3.247.1 Fields Displayed - EC 334

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- 3.22.3.247.2 Correction Procedures - EC 334 Form 1040-NR Line 23a Tax on Income Not-Effectively Connected (NEC)
 - 3.22.3.247.3 Correction Procedures - EC 334 Form 1040-NR Total Tax
 - 3.22.3.247.4 Correction Procedures - EC 334 Form 1040 Social Security and Railroad Retirement Benefits (SSA/RRB 1042-S)
 - 3.22.3.247.5 Correction Procedures - EC 334 Dual-status Returns
 - 3.22.3.247.6 Correction Procedures - EC 334 FTHBC Repayment Field PNRI>/SNRI> (Form 1040/Form 1040-NR/Form 1040-SS (sp)/Form 1040-SS)
 - 3.22.3.247.7 Correction Procedures - EC 334 Form 1040-SS (sp) and Form 1040-SS
 - 3.22.3.247.7.1 Form 8959, Additional Medicare Tax
 - 3.22.3.247.8 Allowable Taxpayer Notice Codes - EC 334
 - 3.22.3.248 Error Code 336 - EIC TIN Qualification Indicator
 - 3.22.3.249 Error Code 337/637 - Earned Income Tax Credit with Schedule EIC
 - 3.22.3.249.1 Correction Procedures - EC 337 Form 1040
 - 3.22.3.249.2 Correction Procedures - EC 337 Dual-Status
 - 3.22.3.250 Error Code 338/638 - EIC without Schedule EIC
 - 3.22.3.250.1 Correction Procedures - EC 338 Form 1040
 - 3.22.3.250.2 Correction Procedures - EC 338 Dual-status
 - 3.22.3.251 Error Code 342 -
 - 3.22.3.251.1 Field Displayed - EC 342
 - 3.22.3.251.2 Correction Procedures - EC 342
 - 3.22.3.252 Error Code 343 - Additional Child Tax Credit for Puerto Rico Residents
 - 3.22.3.252.1 Field Displayed - EC 343
 - 3.22.3.252.2 Invalid Condition - EC 343
 - 3.22.3.252.3 Correction Procedures - EC 343
 - 3.22.3.253 Error Code 344 - Additional Child Tax Credit
 - 3.22.3.253.1 Fields Displayed - EC 344
 - 3.22.3.253.2 Correction Procedures - EC 344 Form 1040-SS (sp)/Form 1040-SS Additional Child Tax Credit - Puerto Rico
 - 3.22.3.253.3 Correction Procedures - EC 344 Form 1040 with an address in Puerto Rico OR Taxpayers with Income from Puerto Rico
 - 3.22.3.253.4 Correction Procedures - EC 344 All Other U.S. Territory except Puerto Rico - Additional Child Tax Credit
 - 3.22.3.253.5 Correction Procedures - EC 344 Form 1040 - Excluding Income and Claiming Additional Child Tax Credit
 - 3.22.3.253.6 Correction Procedures - EC 344 Form 1040-NR Claiming Additional Child Tax Credit
 - 3.22.3.253.7 Allowable Taxpayer Notice Codes - EC 344
 - 3.22.3.254 Error Code 347 - Refundable American Opportunity Credit
 - 3.22.3.255 Error Code 349 - Reserved

- 3.22.3.256 Error Code - 351 Refundable Adoption Credit
- 3.22.3.257 Error Code 352 - Form 8962 is missing and Refundable Credit Claimed
 - 3.22.3.257.1 Allowable Taxpayer Notice Codes - EC 352
- 3.22.3.258 Error Code 353 - Form 8962 Premium Tax Credit Claimed, Not Eligible
 - 3.22.3.258.1 Allowable Taxpayer Notice Codes - EC 353
- 3.22.3.259 Error Code 354 - Premium Tax Credit
 - 3.22.3.259.1 Allowable Taxpayer Notice Codes - EC 354
- 3.22.3.260 Error Code 356 - Fuel Tax Credit
- 3.22.3.261 Error Code 358 - Form 2439 and Form 8885 Credits, and Write-in Credits (and Prior Year Form 8839 and Form 8801)
 - 3.22.3.261.1 Fields Displayed-EC 358
 - 3.22.3.261.2 Correction Procedures Health Coverage Tax Credit (Form 8885) on Form 1040 and Form 1040-NR
- 3.22.3.262 Error Code 360 - Refundable Payments or Credits Verification
 - 3.22.3.262.1 Fields Displayed EC 360 - Form 1040-NR
- 3.22.3.263 Error Code 364/664 - Refundable Credits
 - 3.22.3.263.1 Fields displayed - EC 364
 - 3.22.3.263.2 Correction Procedures - EC 364 Refundable Credits - Form 1040
 - 3.22.3.263.2.1 Excess Social Security Tax (SST) and Railroad Retirement Tax (RRTA) - Form 1040
 - 3.22.3.263.2.2 Form 8689 - Allocation of Income Tax to the U.S. Virgin Islands
 - 3.22.3.263.3 Correction Procedures - EC 364 - Form 1040-NR (TY 2020 and later)
 - 3.22.3.263.3.1 Excess Social Security Tax (SST) and Railroad Retirement Tax (RRTA) - Form 1040-NR
 - 3.22.3.263.4 Correction Procedures - EC 364 - Dual-Status
 - 3.22.3.263.5 Allowable Taxpayer Notice Codes - EC 364
- 3.22.3.264 Error Code 366/666 - Total Payments
 - 3.22.3.264.1 Fields Displayed - EC 366
 - 3.22.3.264.2 Correction Procedures - EC 366
 - 3.22.3.264.3 Correction Procedures - EC 366- Form 1040
 - 3.22.3.264.3.1 Total Payments - EC 366 - Form 1040
 - 3.22.3.264.3.2 Form 1040 - Federal Withholding
 - 3.22.3.264.3.3 Form 1040 - Tax Withheld on Form SSA/RRB 1042-S
 - 3.22.3.264.3.4 Form 1042-S - Tax Withheld at Source on Form 1040 (Form 1042-S)
 - 3.22.3.264.3.5 Form 8288-A - Statement of Withholding on Certain Dispositions by Foreign Persons on Form 1040
 - 3.22.3.264.3.6 Form 8805 - Foreign Partner's Information Statement of Section 1446 Withholding Tax on Form 1040
 - 3.22.3.264.4 EC 366 - Correction Procedures-Form 1040-NR
 - 3.22.3.264.4.1 Total Payments- EC 366 - Form 1040-NR
 - 3.22.3.264.4.2 Withholding - Form 1040-NR

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- 3.22.3.264.4.3 Field 03WH - U.S. Tax Withheld on Form W-2, Form 1099 and Other Forms
 - 3.22.3.264.4.4 Field 0325E - U.S. Tax Withheld at Source by Partnerships Under Section 1446 (Form 8805)- Form 1040-NR
 - 3.22.3.264.4.5 Field 0325F - U.S. Tax Withheld on Certain Dispositions by Foreign Persons(Form 8288-A) - Form 1040-NR
 - 3.22.3.264.4.6 Field 0325G - Form 1042-S Withholding Form 1040-NR
 - 3.22.3.264.4.7 Tax Withheld on Form SSA/RRB 1042-S Form 1040-NR
 - 3.22.3.264.5 Correction Procedures - EC 366 - Form 1040-SS (sp)/Form 1040-SS
 - 3.22.3.264.5.1 Form 1040-SS (sp) and Form 1040-SS - EC 366 - Total Payments
 - 3.22.3.264.5.2 Field 05ESS Excess Social Security Tax (SST) and Railroad Retirement Tax (RRTA) - Form 1040-SS (sp)/Form 1040-SS
 - 3.22.3.264.5.3 Line 10, Form 1040(PR)/Form 1040-SS, Form 8885, Health Coverage Tax Credit (HCTC)
 - 3.22.3.264.5.4 Form 8959 - Additional Medicare Tax- Form 1040-SS (sp)/Form 1040-SS
 - 3.22.3.264.6 Allowable Taxpayer Notice Codes - EC 366
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- 3.22.3.265.1 Fields Displayed - EC 369
 - 3.22.3.266 Error Code 370/670 - Balance Due/Refund
 - 3.22.3.266.1 Fields Displayed - EC 370
 - 3.22.3.266.2 Correction Procedures - EC 370 Form 1040-SS (sp) and Form 1040-SS
 - 3.22.3.266.2.1 Field 03BDR> - Balance Due Overpayment Taxpayer Computer
 - 3.22.3.266.2.2 Field 03BDR - Balance Due/Refund
 - 3.22.3.266.3 Allowable Taxpayer Notice Codes - EC 370
 - 3.22.3.267 Error Code 372 - \$1,000,000 or More Refund
 - 3.22.3.267.1 Fields Displayed - EC 372
 - 3.22.3.268 Error Code 374 - Pre-Determined ES Penalty
 - 3.22.3.268.1 Fields Displayed - EC 374
 - 3.22.3.269 Error Code 380 Self-Employment Income and EIC
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- 3.22.3.270.1 Fields Displayed - EC 531
 - 3.22.3.271 Error Code 601 - RPC J
 - 3.22.3.271.1 Fields Displayed - EC 601
 - 3.22.3.271.2 Invalid Condition - EC 601
 - 3.22.3.271.3 Correction Procedures - EC 601
 - 3.22.3.272 Error Code 702
 - 3.22.3.273 Error Code 704 - Unallowable Amount with No Code
 - 3.22.3.273.1 Fields Displayed - EC 704
 - 3.22.3.274 Error Code 706 - Unallowable Codes 92 to 99 (Except UA 95)
 - 3.22.3.275 Error Code 708 - Unallowable Codes 30 to 49 Schedule A
 - 3.22.3.275.1 Fields Displayed - EC 708

3.22.3.276 Error Code 712 - Unallowable Tax Verified Missing

3.22.3.276.1 Fields Displayed - EC 712

3.22.3.277 Error Code 714 - Unallowable Tax Verified

3.22.3.278 Error Code 716 - Unallowable Tax Verified

3.22.3.278.1 Fields Displayed - EC 716

3.22.3.279 Error Code 718 - Unallowable Tax Verified

3.22.3.280 Error Code 750 - ACA

3.22.3.280.1 Correction Procedures - EC 750

3.22.3.281 International Replies to Correspondence

3.22.3.282 Second Correspondence

3.22.3.283 No Reply/Incomplete Reply/Undeliverables

Exhibits

3.22.3-1 Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

3.22.3-2 Exempt Countries for Government Service Employees

3.22.3-3 Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties

3.22.3-4 Country and Post of Duty (POD) Codes

3.22.3-5 U.S. Territories - Zip Codes

3.22.3-6 Province, State and Territory Abbreviations

3.22.3-7 Types of Visas

3.22.3-8 International Organizations Designated by the President through Executive Order

3.22.3-9 Taxpayer Notice Codes (TPNC)

3.22.3-10 No Reply to Correspondence

3.22.3-11 Prior Year Treaty Chart for Treaties In Force after 2005

3.22.3-12 IAT Letter 4087C Fill-in paragraphs

3.22.3-13 IAT Letter 2894C/SP and 2894C Fill-in paragraphs

3.22.3-14 Tax Forms and Internal Use Forms

3.22.3-15 Acronyms

3.22.3-16 Calculation Examples for EC 156

3.22.3-17 Return Due Date

3.22.3.1
(04-18-2024)
Program Scope and Objectives

- (1) **Purpose.** This Internal Revenue Manual (IRM) provides instructions for correcting errors identified in Error Resolution System (ERS) processing of International Individual Master File (IMF) tax returns. International IMF tax returns are tax returns identified using the criteria in IRM 3.22.3.3, *International Returns*.
- (2) **Audience.** Tax examiners in the Error Resolution Department of the Austin Submission Processing Center, Taxpayer Services (TS), are the primary users of this IRM.
- (3) **Policy Owner.** The Director of Submission Processing is responsible for the policies in this IRM.
- (4) **Program Owner.** The Code & Edit/ERS IMF Section of the Return Processing Branch of Submission Processing is responsible for the procedures and all updates related to this IRM.
- (5) **Program Goals.** The ERS program objective is to provide timely and accurate correction of tax returns that are in ERS error inventory after inputting return data via Integrated Systems Remittance Processing (ISRP) and Modernized e-File (MEF). This IRM provides procedures for the processing of international IMF tax returns and related documents in ERS inventory.

3.22.3.1.1
(01-01-2018)
Background

- (1) The Error Resolution System (ERS) is an online computer application used by tax examiners to correct errors identified on tax returns during Generalized Mainline Framework (GMF) processing.

3.22.3.1.2
(01-01-2023)
Authority

- (1) Authority for the procedures in this IRM is in the following sections of the Internal Revenue Code and their corresponding Treasury regulations:
 - IRC 6213(b)
 - IRC 6201(a)
- (2) Policy Statements and Delegation Orders for submission processing are in the following IRMs:
 - IRM 1.2.1, *Servicewide Policy Statements*
 - IRM 1.2.2, *Servicewide Delegations of Authority*

3.22.3.1.3
(01-01-2018)
Roles and Responsibilities

- (1) The Submission Processing Director is responsible for monitoring operational performance of Submission Processing.
- (2) The Austin Submission Processing Input Correction Operations Manager is responsible for monitoring operational performance of Austin Error Resolution.
- (3) The Error Resolution team manager and lead tax examiner are responsible for performance monitoring and ensuring tax examiners have the tools to perform their duties.
- (4) Tax examiners are responsible for following the instructions in this IRM, including all IRM procedural updates (IPU) posted to the SERP (Servicewide Electronic Research Program) website.

3.22.3.1.4
(01-01-2018)
**Program Management
and Review**

- (1) **Program Reports.** All ERS records are controlled by a Document Locator Number (DLN), and error records are accessed and assigned for correction by block DLN. The daily ERS Error Inventory Report ERS 13-40 lists each block of returns and the number of returns in ERS inventory by program. The ERS system displays with command ERVOL the real-time volume in inventory by status and by program. Daily, weekly and periodic reports are available to management through Control-D WebAccess to manage inventory and capture data for program planning and review. See IRM 3.12.37, *Error Resolution, IMF General Instructions, Related Reports*, for a listing and description of ERS reports.
- (2) **Quality Review.** Tax examiner completed inventory is selected for quality review during real-time processing. This review is conducted according to the procedures in IRM 3.30.30, *Embedded Quality for Submission Processing (EQSP) System*.
- (3) **CARE Review.** The Computer Assisted Review of ERS (CARE) is an on-line quality review of Taxpayer Notice Codes (TPNC) when assigned by tax examiners in ERS. Assigned TPNCs are reviewed and records are corrected to prevent the issuance of erroneous notices to taxpayers. Results are reported in daily and periodic reports to managers and tax examiners.
- (4) **Annual Clearance of IRM.** This IRM is updated and published annually after review and concurrence by affected offices according to the clearance process established in IRM 1.11.9, *Internal Management Documents, Clearing and Approving the Internal Revenue Manual (IRM)*, prior to publishing.

3.22.3.1.5
(01-01-2025)
Program Controls

- (1) All tax examiners must submit and have approved by management a BEARS request to gain access to the Error Resolution System.
- (2) Tax returns in ERS are worked on a First In First Out (FIFO) basis as they are received from input systems through the General Mainline Framework (GMF).
- (3) Control clerks are responsible for the control of error documents. Inventory control procedures are described in IRM 3.12.37, *Error Resolution, IMF General Instructions*.

3.22.3.1.6
(01-01-2024)
Related Resources

- (1) The following table lists other Internal Revenue Manuals (IRM) and job aids that provide guidance for ERS processing of international tax returns.

Resource	Title
IRM 3.12.2	Individual Master File Error Resolution General Instructions
IRM 3.12.3	Error Resolution -Individual Income Tax Returns
IRM 3.12.37	Error Resolution -IMF General Instructions
IRM 3.21.3	International Returns and Documents Analysis - Individual Tax Returns

Resource	Title
IRM 3.21.25.17	International Returns and Document Analysis - Miscellaneous Tax Returns, Credit Verifying Form 8288-A (FIRPTA) and section 1446(f)(1) Credits
ERS International IMF Job Aid 2512-001	Error Resolution System (ERS) for Individual Master File Documents, International Tax Returns
IMF Foreign Address Job Aid 2513-703	International Submission Processing IMF Foreign Address Job Aid
ERS Current Year Job Aid 2515-015	Error Resolution System (ERS) for Individual Master File Documents
ERS Prior Year Job Aid 2515-014	Error Resolution System (ERS) for Individual Master File Documents

3.22.3.1.7
(05-05-2017)
Forms

- (1) Tax forms and internal use forms referenced in this IRM are listed in Exhibit 3.22.3-14, *Tax Forms and Internal Use Forms*.

3.22.3.1.8
(05-05-2017)
Terms and Acronyms

- (1) Acronyms commonly used in this IRM are listed in Exhibit 3.22.3-15, *Acronyms*.

3.22.3.1.9
(01-01-2018)
Organization of Text

- (1) The text in this manual is organized in the following order:
- General Information
 - Correspondence Procedures
 - Special Procedures
 - Field Errors
 - Error Codes
 - Reply and No Reply Procedures
 - Exhibits

3.22.3.2
(01-01-2026)
General Guidelines for Tax Examiners

- (1) ERS International IMF Job Aid 2512-001 and IMF Foreign Address Job Aid 2513-703 are used as references with this manual. This manual refers the tax examiner to appropriate explanatory information or exhibits in the job aids. When a conflict between any reference or training material and this manual occurs, the manual instructions take precedence.
- (2) IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, must be used when specific instructions are not provided in IRM 3.22.3. Error record formats and error field displays for Form 1040, are found in IRM 3.12.2 and IRM 3.12.3, except for field displays for Form 1040 errors that only generate on in-

international returns (EC 025, EC 051, EC 148, EC 150, EC 152, EC 154, EC 156, and EC 216). The field displays for these errors are included in this IRM. The fields, invalid conditions, and correction procedures that apply specifically to the processing of international returns Form 1040-NR, and Form 1040-SS are included in the relevant sections and error codes in this IRM.

- (3) For prior year line numbers on either, examiners are reminded to use ERS International IMF Job Aid 2512-001.

Form or schedule	TY Obsoleted	PY Removed from ERS screens
Form 1040A	2018	2021
Form 1040EZ	2018	2021
Form 2555-EZ	2019	
Schedule C-EZ	2019	
short Schedule SE	2020	
Form 1040-NR-EZ	2020	2022
Form 1040(PR)	2023	

- (4) A new Form 1040-SR is introduced for TY2019. This form is identical to 2019 Form 1040 with increased font size and expanded form length. All processing instructions that apply to Form 1040 apply equally to Form 1040-SR.
- (5) In tax year 2020, processing year 2021, Form 1040-NR has been redesigned to Form 1040-NR plus Schedule 1, 2 and 3. As part of its redesign, pages 1 and 2 of Form 1040-NR is restructured to look like the redesigned Form 1040. This redesigned Form 1040-NR will use Schedules 1, 2, and 3 (Form 1040). With the redesign of Form 1040-NR for TY20, Schedule A, Schedule NEC and Schedule OI (Page 3, 4 and 5 of TY19 Form 1040-NR) are removed from Form 1040-NR and will be filed as a separate schedule. Throughout the IRM references to page numbers are replaced with references to Schedules as follows:

TY 2020	TY 2019 and prior
Schedule A	Page 3 of Form 1040-NR
Schedule NEC	Page 4 of Form 1040-NR
Schedule OI	Page 5 of Form 1040-NR

- (6) ERS screen displays for Section 01 through Section 05 have been realigned to follow the new redesigned Form 1040-NR. Here is summary of Section 01 through Section 05 and how they are realigned:
- Section 01 - Entity portion of Form 1040-NR
 - Section 02 - Form 3471 Edit Sheet
 - Section 03 - Beginning at line 1, Page 1, Form 1040-NR through entire Page 2, Form 1040-NR

- d. Section 04 - Schedule 1, Form 1040/Form 1040-NR
- e. Section 05 - Schedule 2 and 3, Form 1040/Form 1040-NR

Note: TY18 Schedule 4, 5 and 6 of Form 1040 are obsolete for TY2019 and later.

Reminder: ERS examiner are reminded to get familiarized with the changes to field names, sections and error codes.

- (7) Due to the redesign of Form 1040-NR, the line number references in sections, error codes and instructions are updated to follow line numbers on TY21 form. For Form 1040-NR-EZ, the line numbers references remain unchanged to follow TY19 line numbers. For prior year line numbers on either Form 1040-NR or Form 1040-NR-EZ, examiners are reminded to use ERS International IMF Job Aid 2512-001.
- (8) A new Section 94 is created to include all the verified fields that are applicable to the fields that are in Sections 01 through 05. This is a required section.
- (9) According to Notice 2020-23, the due dates, both April 15 and June 15 for TY 2019 tax returns has been postponed to July 15, 2020. This change in due date applies to all forms, Form 1040, Form 1040-SR, Form 1040-NR, Form 1040-NR-EZ, Form 1040(PR), and Form 1040-SS.
- (10) Although the due date for TY 2020 returns has been postponed, the programming for Field T-DAT> has not been revised to reflect this postponed due date of May 17, 2021. Instructions in EC 287 and EC 340 have been updated to follow the May 17, 2021 date when TIN assignment date is after the date in Field T-DAT>.
- (11) In processing year 2021 and later, TY 2017 and prior year returns will be impacted with changes in programming. Programming will compute taxable income, child tax credit and additional child tax credit based on the rules revised in Tax Cuts and Job Act that is TY 2018 returns. Programming will not compute exemptions amount. ERS examiners are reminded to manually compute the taxable income and the credits and use the verified fields accordingly, prior to assigning TPNCs.
- (12) In tax year 2021 Form 1040(PR) and Form 1040-SS entity section is updated to add the following filing statuses: Head of Household and Qualifying Widower.
- (13) In tax year 2023 Form 1040(PR) is made historical and is replaced with Form 1040-SS (sp). For the remainder of this text Form 1040-SS (sp) will be referred to as Form 1040-SS; however, all correction procedures will apply equally to Form 1040-SS (sp) and Form 1040-SS.
- (14) In tax year 2023 Form 1040-SS/Form 1040-SS (sp) went from a 4 page return that included abbreviated versions of Schedules C, F, and SE to a 2 page form. Taxpayers will attach Schedules C, F, and SE if required. For TY23 and TY24 Page 2 of the Form 1040-SS/1040-SS (sp) includes Part II for bona fide residents of Puerto Rico to claim the Additional Child Tax Credit.
- (15) In tax year 2025 Form 1040-SS went from a 2 page return to a 3 page return. Page 3 of the return includes Part II for bona fide residents of Puerto Rico to claim the Additional Child Tax Credit.

- (16) IRM deviations must be submitted in writing following instructions from IRM 1.11.2.2, *Internal Management Documents System - Internal Revenue Manual (IRM) Process, IRM Standards*, and elevated through appropriate channels for executive approval.

3.22.3.3
(01-01-2026)

International Returns

- (1) International tax returns are identified by the presence of one of the following:
- An address outside the 50 United States and Washington D.C. (This does not include Army/Air Force Post Office/Fleet Post Office Post Office (APO/FPO) addresses.)
 - Form 1040 GUAM
 - Form W-2AS, American Samoa Wage and Tax Statement.
 - Form W-2CM, Commonwealth of Northern Mariana Islands Wage and Tax Statement
 - Form W-2GU, Wage and Tax Statement from Guam.
 - Form 499R-2/ W-2 PR, Wage and Tax Statement from Puerto Rico.)
 - Form W-2VI Wage and Tax Statement from U.S. Virgin Islands.
 - Form 1040-NR, U.S. Nonresident Alien Income Tax Return
 - Form 1040-NR-EZ, U.S. Income Tax Return for Certain Nonresident Aliens With No Dependents
 - Form 1040(PR) - U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico) (Spanish version)
 - Form 1040-SS - U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
 - Form 1040-SS (sp) - **Declaración de Impuestos Federal sobre el Trabajo por Cuenta Propia (Incluyendo el Crédito Tributario Adicional por Hijos para Residentes *Bona Fide* de Puerto Rico)**
 - Form 1042-S Foreign Person's U.S. Source Income Subject to Withholding, Form SSA 1042-S Social Security Benefit Statement or Form RRB 1042-S United States Railroad Retirement Board
 - Form 2555 - Foreign Earned Income
 - Form 2555-EZ - Foreign Earned Income Exclusion

Note: Form 2555-EZ is obsolete as of December 31, 2018

- Form 4563 - Exclusion of Income for Bona Fide Residents of American Samoa
- Form 5074 - Allocation of Individual Income Tax to Guam or the Commonwealth of Northern Mariana Islands
- Form 8288-A - Statement of Withholding on Certain Dispositions by Foreign Persons
- Form 8689 -Allocation of Individual Income Tax to the United States Virgin Islands
- Form 8804 - Annual Return for Partnership Withholding Tax Under Section 1446
- Form 8805 - Foreign Partner's Information Statement of Section 1446 Withholding Tax
- Form 8813 - Partnership Withholding Tax Payment
- Form 8833 - Treaty-Based Return Position Disclosure
- Form 8854 - Initial and Annual Expatriation Information Statement
- Form 8891 - U.S. Information Return for Beneficiaries of Certain Canadian Registered Retirement Plans

Note: Form 8891 is obsolete as of December 31, 2014

- Form 8898 - Statement for Individuals Who Begin or End Bona Fide Residency in a United States Possession
- Dual-status - Form 1040 and Form 1040-NR filed together for the same tax year; "Dual-status" or "D/S" indicated on the return
- Nonresident Alien (NRA), primary or both taxpayers are nonresident alien

Exception: The primary taxpayer is a nonresident alien (NRA) without a Social Security number (SSN) or an individual taxpayer identification number (ITIN), but the secondary taxpayer has an SSN/ITIN and is reporting income.

- International Tax Treaty - taxpayer indicating exemption or exclusion of tax and/or income due to an International tax treaty

Note: "American Indian" treaty returns are not considered International returns. They must be renumbered as a domestic return.

- Treaty Trader
- Fulbright Grantee
- IRC 871, IRC 893, IRC 911, IRC 931, IRC 932, IRC 933, IRC 934 or IRC 935 of the Internal Revenue Code (IRC) is notated anywhere on the return.

Exception: For electronically filed returns, if the amount of the exclusion is \$0 and there are no other indications of international criteria, DO NOT send to Austin for processing as an international return.

- Notation of "Streamlined" or other indication of Streamlined Filing Compliance Procedures on the return.
- Form 14653 (Streamlined Foreign Offshore), Form 14654 (Streamlined Domestic Offshore), or similar certification.

Note: Returns on which taxpayers convert income paid in foreign currency to U.S. currency are not considered International unless there are other international criteria.

(2) International returns are assigned the following File Location Codes (FLC):

- FLC 20 is assigned to any return identified as international using the criteria above, not including returns that are identified as U.S. territory returns.
- FLC 21 is assigned to any Form 1040, Form 1040-SS (sp), and Form 1040-SS that is identified as a U.S. territory return. The five key U.S. Territories are American Samoa (AS), Commonwealth of Northern Mariana Islands (CNMI), Guam (GU), Puerto Rico (PR) and United States Virgin Islands (USVI).
- All returns with a valid Form 2555 must be processed with FLC 20. A Form 1040 with a U.S. territory entity address that has a valid Form 2555 with a tax home in a foreign country is assigned to FLC 20.

(3) If a return has any of the following characteristics and does not have an LB&I stamp indicating LB&I has already reviewed it, SSPND 640 and route the return to Stop 4301 AUSC:

- "Relief for Certain Former Citizens", "Relief", "Expat", "FAQ 24", **FAQ 25**, or something similar is written on the return and/or attachments
- Form 8854 is attached.

- Copy of Certificate of Loss of Nationality (CLN) is attached.
- Taxpayer specifically mentions "Relief", "Former Citizen", "Expatriate process", "FAQ 24", "FAQ 25", or something similar in an attached letter.
- Form 8898 is attached.

Caution: If the primary TIN is missing do not route to Entity.

3.22.3.4
(01-01-2025)

**Form 1042-S Income
Codes**

- (1) Form 1042, *Annual Withholding Tax Return for U.S. Source Income of Foreign Persons*, and Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, are used by withholding agents to report tax withheld at source under Chapter 3 of the Internal Revenue Code on certain income paid to non-resident aliens or foreign corporations not engaged in trade or business in the United States, or tax withheld at source under Chapter 4 of the Code on account holders that did not provide information to their financial institution to report as required under the Foreign Account Tax Compliance Act (FATCA). Below is a listing of income codes, description (type) of income, and where the income should be reported on Form 1040-NR.

Form 1042-S Income Code	Form 1042-S Income Code Prior Year (If Different)	Description (Type) of Income	Where Income is Reported on Form 1040-NR (unless specified on Form 1040-NR)
01		Interest paid by United States Obligors-General	Page 1, line 2b or Schedule NEC, line 2c
02		Interest Paid on Real Property Mortgages	Page 1, line 2b or Schedule NEC, line 2a
03		Interest Paid to Controlling Foreign Corporations	Page 1, line 2b or Schedule NEC, line 2c
04		Interest Paid By Foreign Corporations	Page 1, line 2b or Schedule NEC, line 2b
05		Interest On Tax-Free Covenant Bonds	No reporting required
06		Dividends Paid By United States Corporations - General	Page 1, line 3b or Schedule NEC, line 1a
07		Dividends Qualifying for Direct Dividends Rate	Page 1, line 3b or Schedule NEC, line 1b
08		Dividends Paid by Foreign Corporations	Page 1 line 3b or Schedule NEC line 1b
09		Capital Gains	Page 1, line 7 or Schedule NEC, Lines 9 and 18
10		Industrial Royalties	Schedule 1, line 5 or Schedule NEC, line 3
11		Motion Picture or Television Copyright Royalties	Schedule 1 line 5 or Schedule NEC line 4
12		Other Royalties (e.g., Copyright, Software, Recording, Publishing, Endorsement Payments)	Schedule 1, line 5 or Schedule NEC, line 5
13	New in TY 2015	Royalties paid on certain publicly offered securities	Schedule 1, line 5 or Schedule NEC, line 5
14	13 (TY 2014 and prior)	Real Property Income and Natural Resources Royalties	Schedule 1, line 5 or Schedule NEC, line 6

Form 1042-S Income Code	Form 1042-S Income Code Prior Year (If Different)	Description (Type) of Income	Where Income is Reported on Form 1040-NR (unless specified on Form 1040-NR)
15	14 (TY 2014 and prior)	Pensions, Annuities Alimony, and/or Insurance Premiums	Page 1, line 5b (pensions and annuities) or Schedule NEC, line 7 (pensions and annuities), Schedule 1, line 2a(alimony) Note: Pension income reported on Form 1042-S should be reported on Schedule NEC, line 7.
16	15 (TY 2014 and prior)	Scholarship or Fellowship Grants	Schedule 1, line 8r (Form 1040-NR)
17	16 (TY 2014 and prior)	Compensation for Independent Personal Services	Schedule 1, line 3 or 8z or Page,1 line 1h or 1k Exception: If the income is earned by a nonresident alien for services performed outside the U.S., the income is NOT taxable. Follow the taxpayer's intent if they do not claim the income and the address on the 1040-NR is outside of the U.S.
18	17 (TY 2014 and prior)	Compensation for Dependent Personal Services	Page 1, line 1h or 1k (Form 1040-NR)

Form 1042-S Income Code	Form 1042-S Income Code Prior Year (If Different)	Description (Type) of Income	Where Income is Reported on Form 1040-NR (unless specified on Form 1040-NR)
19	18 (TY 2014 and prior)	Compensation for Teaching	Page 1, line 1h or 1k (Form 1040-NR)
20	19 (TY 2014 and prior)	Compensation during Studying and Training	Page 1, line 1h or 1k (Form 1040-NR)
Not valid after TY 2015	21 (TY 2015 and prior)	Gross Income - Capital Gain Dividend	Page 1, line 7 or Schedule NEC, line 9 and 18
22		Interest Paid on Deposit with a Foreign Branch of a Domestic Corporation or Partnership	Page 1, line 2b or line 15
23	20 (TY 2014 and prior)	Other Income	Schedule 1, line 8z or Schedule NEC, line 12
24		Qualified Investment Entity (QIE) Distributions of Capital Gains	Page 1, line 7 or Schedule NEC, Lines 9 and 18
25		Trust Distributions Subject to IRC 1445	Schedule 1, line 8z or Schedule NEC, line 12
26		Unsevered Growing Crops and Timber Distributions By a Trust Subject to IRC 1445	Schedule 1, line 8z or Schedule NEC, line 12
27		Publicly Traded Partnership Distributions Subject to IRC 1446(a)	Schedule 1, line 8z or Schedule NEC, line 12
28		Gambling Winnings	Schedule NEC, line 10a or line 11 (depending on country of residence)
29		Deposit Interest	Schedule NEC line 12
30		Original Issue Discount (OID)	Schedule NEC, line 12
31		Short-Term OID	Schedule NEC, line 9
32		Notional Principal Contract income	Schedule 1 line 8z or Schedule NEC line 12
33		Substitute Payment - Interest	Page 1, line 2b or Schedule NEC, line 2c
34		Substitute Payment - Dividends	Page 1, line 3b or Schedule NEC, line 1a

Form 1042-S Income Code	Form 1042-S Income Code Prior Year (If Different)	Description (Type) of Income	Where Income is Reported on Form 1040-NR (unless specified on Form 1040-NR)
35		Substitute Payment - Other	Schedule 1, line 8z or Schedule NEC, line 12
36		Capital Gains Distributions	Page 1, line 7 or Schedule NEC, Lines 9 and 18
37		Return of capital	Usually, not reported
38		Eligible deferred compensation items subject to IRC 877A(d)(1)	Page 1, line 1h
39		Distribution from a non-grantor trust subject to IRC 877A(f)(1)	Schedule NEC, line 12
40		Other dividend equivalents under IRC 871(m)	Schedule 1, line 8z or Schedule NEC, line 1c
41		Guarantee of Indebtedness	Schedule 1, line 8z or Schedule NEC line 12
42	20 (TY 2011 and prior)	Earnings as an Artist or Athlete without a central withholding agreement	Page 1, line 1h, or 1k, or Schedule 1, line 3(Form 1040-NR)
43		Earnings as an Artist or Athlete with a central withholding agreement	Page 1, line 1h or 1k, or Schedule 1, line 3(Form 1040-NR)
44		Specified Federal procurement payments	Schedule 1, line 8z
50		Income previously reported under escrow procedure	No reporting required
51	New in TY 2015 Note: In TY 2014 Income Code 51 was "Other Income".	Interest paid of certain actively traded or publicly offered securities	Page 1, line 2b or Schedule NEC, line 2
52	New in TY 2015	Dividends paid on certain actively traded or publicly offered securities	Page 1, line 3b or Schedule NEC, line 1

Form 1042-S Income Code	Form 1042-S Income Code Prior Year (If Different)	Description (Type) of Income	Where Income is Reported on Form 1040-NR (unless specified on Form 1040-NR)
53	New in TY 2015	Substitute payments - dividends from certain actively traded or publicly offered securities	Page 1, line 3b or Schedule NEC, line 1
54	New in TY 2017 Note: In TY 2015-2016, Income Code 54 was "Other Income"	Substitute payments - interest from certain actively traded or publicly offered securities	Page 1, line 2b or Schedule NEC, line 2
55	New in TY 2019	Taxable death benefits on life insurance contracts	Schedule 1, line 8z or Schedule NEC, line 12
56	New in TY 2022	Dividend equivalent 871(m) transaction combination	Page 1, line 3b or Schedule NEC, line 1c
57	New in TY 2022	Section 1446(f) amount realized from publicly traded partnerships (PTPs)	Page 1, line 3b
58	New in TY 2023	Publicly traded partnership distributions - undetermined	Schedule 1, line 8z

Reminder: Follow instructions in the error code on your screen to address exceptions to these income reporting guidelines or income exempted by a treaty.

- (2) When taxpayer files a Form 1040 and the only income reported is from Form 1042-S, Code & Edit is instructed to correspond for the filer's U.S. status. If Code & Edit did **NOT** correspond, search the return and attachments for a statement that identifies the taxpayer as a U.S. citizen or resident alien filing Form 1040. If no statement is attached SSPND 215 and select paragraph X on Form 13900. (Refer to instructions at IRM 3.22.3.264.3.3 if the income or withholding is from Form SSA/RRB 1042-S.)

Note: If a taxpayer is reporting **worldwide income** on a **Form 1040**, enter the Form 1042-S withholding in Field 05OTH and enter "S" in Field 05TYP.

3.22.3.5
(01-01-2024)
United States Income Reporting Requirements

- (1) **United States citizens and resident aliens** are required to file Form 1040, and must report 100 percent of their worldwide income. Worldwide income is income from all sources and includes foreign and United States income.

- (2) **Nonresident aliens** are generally required to report ONLY U.S. source income, and income that is effectively connected to a U.S. trade or business, on Form 1040-NR. A nonresident alien is not required to report U.S. source income that has been withheld upon properly at the source or any foreign source income received unless the nonresident alien is entitled to a claim for a refund for overpaid taxes. Nonresident aliens may file Form 1040-NR in order to receive credits or refunds of taxes over withheld amounts. Income received from U.S. payers will in most cases constitute U.S. source income. In addition, income received from foreign payers may also constitute U.S. source income in certain circumstances such as income received for services performed in the United States and income received for the use of intangibles in the United States.

Note: However, if the foreign individuals perform their services entirely outside of the United States, the income they receive from U.S. payers is not subject to withholding or U.S. income taxes. If the payers did withhold, then the nonresident aliens are required to file Form 1040-NR to receive credits or refunds of the taxes withheld.

- (3) A taxpayer who is a U.S. citizen or resident alien and a nonresident alien within the same tax year files a dual-status tax return. Income is reported using the reporting rules that apply to the taxpayer's residency status for each part of the year.

3.22.3.6
(01-01-2026)

Dual-Status - General Information

- (1) A taxpayer who is a resident alien and a nonresident alien in the United States within the same tax year files a dual-status tax return. This condition usually occurs in the year of arrival to or departure from the United States. The taxpayer will file Form 1040 or Form 1040-NR for the tax year based on the taxpayer's residence status on the last day of the year.
- The taxpayer will file a return using Form 1040 if a resident of the United States on the last day of the tax year.
 - The taxpayer will file a return using Form 1040-NR if not a resident of the United States on the last day of the tax year.
 - If the requirements are met, a dual-status alien may elect to be treated as a resident for the entire year.
 - Follow the intent of the taxpayer and process the tax form that is identified as the "Dual-Status Return" if there is an indication they entered or left the United States in December. See question G Schedule OI, Form 1040-NR.
 - Process a Form 1040-NR as dual-status if the taxpayer identifies the return as a "Dual-Status Return" and attached a Form 8854, *Initial and Annual Expatriation Statement*.
 - If unable to determine which return to process from Schedule OI of Form 1040-NR or an attached statement elsewhere on the return, process the tax form that is identified by the taxpayer as the "Dual-Status Return".
 - If unable to determine which tax form should be processed as the return following (a) through (f) above, correspond for dual-status dates using paragraph W of Form 13900 for *Letter 4087C*.
- (2) **Restrictions for Dual-Status Taxpayers** -see EC 218 at IRM 3.22.3.168.2.4, and EC 256 at IRM 3.22.3.190.2.3.
- (3) **Tax Treaties** - In general, dual-status taxpayers may be eligible for tax treaty benefits only on income received during the period that they are nonresident

aliens. The country, the amount of income exempt by a tax treaty, and the tax treaty article under which an exemption is claimed must be reported on Form 1040-NR. See EC 218 at IRM 3.22.3.168.2.4, and EC 256 at IRM 3.22.3.190.2.3.3.

Exception: Resident Aliens may be entitled to treaty benefits with respect to certain categories of income.

- (4) A Form 1040-NR (or substitute statement) may be attached to a Form 1040 dual-status return as a statement (worksheet) if the taxpayer was a resident in the United States on the last day of the tax year. Similarly, a Form 1040 (or substitute statement) may be attached to a Form 1040-NR dual-status return as a statement (worksheet) if the taxpayer was a resident outside the United States on the last day of the tax year.
- (5) Check the Form 1040, Form 1040-NR, (or substitute statements) to ensure that Code & Edit has combined all information onto the controlling form.
- (6) When processing Form 1040-NR, and Itemized Deductions are claimed on Schedule A of Form 1040 that do not have a corresponding line on Schedule A of Form 1040-NR, enter the amount(s) in Field 0707.

3.22.3.7
(11-27-2020)
**Streamlined Filing
Compliance Procedures**

- (1) The Streamlined Filing Compliance Procedures were made available to taxpayers on September 1, 2012, and the IRS significantly expanded the procedures effective July 1, 2014. The governing documents for the Streamlined Filing Compliance Procedures consist of the pages on IRS.gov outlining the procedures and the interpretative Frequently Asked Questions (FAQ).
- (2) Returns submitted using the Streamlined Filing Compliance Procedures will have blocking series from 850 - 899 and specific program number 46117 (Form 1040).
- (3) Both primary and secondary taxpayers must have a valid TIN on a return submitted using the Streamlined Filing Compliance Procedures, either a Social Security number (SSN) or individual taxpayer identification number (ITIN). A TIN assigned by the IRS (IRSN) is invalid.
- (4) Don't correspond for a missing TIN on a return submitted using the Streamlined Filing Compliance Procedures. If the TIN is missing and not found after searching the return and after research, then suspend with Action Code 320 to Entity for assignment of an IRSN for primary taxpayer. When the return comes back from Entity with an IRSN, follow the instructions in EC 005 at IRM 3.22.3.83.2 before entering RPC O.
- (5) If the TIN is present but invalid, follow the applicable instructions in Error Code 004 at IRM 3.22.3.82.2 and Error Code 005 before entering RPC O.
- (6) Returns that are eligible for the Streamlined Filing Compliance Procedures are coded with SPC "P". If missing, enter this code on the return and in Field 01SPC, unless directed to remove the code in EC 004, or EC 005, or after correspondence.
- (7) **Each taxpayer's submission must be kept together.**

Example: If one return needs to be cleared by Statute, send all returns as a package and do not separate. A Form 3210 will be used initially to control which returns are being sent to Statute.

- (8) Returns that are eligible for the Streamlined Filing Compliance Procedures should also be coded with a CCC "M", CCC "R", and CCC "P". If missing, enter these codes on the return and in Field 01CCC, unless directed to remove the codes in EC 004, EC005, or after correspondence.

3.22.3.7.1
(06-29-2016)

Form 1040-NR, Form 1040-SS (sp), and Form 1040-SS Submitted Using the Streamlined Filing Compliance Procedures

- (1) If forms other than Form 1040 or Form 1040-X are submitted using the Streamlined Filing Compliance Procedures, then route to LB&I MS 4305 AUSC if there's no indication of prior LB&I review.

Note: If **all** returns submitted are Form 1040-NR, then the notation of "Streamlined" will be circled out in red. Follow normal processing and do not route to LB&I for review.

- (2) Upon receipt of the returns back from LB&I, follow the procedures outlined by LB&I.

3.22.3.7.2
(06-29-2016)

Amended or Duplicate Returns Submitted Using the Streamlined Filing Compliance Procedures

- (1) If the Streamlined Certification Form 14653 or Form 14654 is marked "Amended" then the returns must be reviewed by LB&I before processing. If an amended certification form is attached to an amended return, and there isn't an indication of prior LB&I review, then route all the returns submitted to MS 4305 AUSC.

- (2) Philadelphia Accounts Management processes amended returns submitted using the Streamlined Filing Compliance Procedures.

- Each taxpayer's submission must be kept together even if the submission includes original and amended returns.
- If a 1040-X is included with original returns, the 1040-X must stay with the original returns until processing is complete.
- If **no correspondence is required**, the submission can be separated, and the Form(s) 1040-X need to be routed to Image Control Team (ICT), MS 6567 AUSC with a Streamlined Accounts Management cover sheet. Be sure to keep all 1040-X returns being routed to ICT together using one cover sheet.

Note: A copy of the certification must be attached to each 1040-X before routing to ICT.

- If **correspondence is required** keep the submission together until a reply is received or the suspense period has expired.

3.22.3.7.3
(01-01-2018)

Corresponding on Returns Submitted Using the Streamlined Filing Compliance Procedures

- (1) If correspondence is necessary for any return submitted under the Streamlined Filing Compliance Procedures, all returns submitted by the taxpayer must be kept together. This means that if one return needs correspondence then all returns in the submission must be kept with the suspended return(s) and held together in the Suspense area.

- (2) Don't correspond for missing information related to the streamline procedures (paragraphs A through E on Form 13900) if the primary taxpayer doesn't have a valid TIN (SSN or ITIN). Follow the instructions in IRM 3.22.3.7 (4) and process as a return not filed using Streamlined Filing Compliance Procedures.

- (3) If correspondence is needed for issues related to Streamlined Filing Compliance Procedures as listed in "Types of Correspondence" at IRM 3.22.3.7.3.1,

use *Letter 4087C* and correspond for these issues and all required information missing on the return.

Note: If a signature is missing, DO NOT send the return back to the taxpayer. Use Letter 4087C to request the taxpayer's signature.

3.22.3.7.3.1
(01-09-2024)
**Types of
Correspondence for
Returns Submitted
Using the Streamlined
Filing Compliance
Procedures**

- (1) **Streamlined Certification** - The taxpayer is required to attach a signed certification with a submission. The required certification depends on the type of filing. Taxpayers meeting the Streamlined Foreign Offshore Procedures non-residency requirement for one of the three most recent submission years use Form 14653, *Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures*. Taxpayers using Streamlined Domestic Offshore Procedures submit Form 14654, *Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures*. Follow the procedures below to correspond. SSPND 215 and select the indicated paragraphs on *Letter 4087C* using Form 13900.

Note: Suspend all returns in the submission when corresponding with these paragraphs.

If	And	Then
Certification is missing,		SSPND 215 and correspond selecting paragraphs A and B .
Signature(s) is missing,		SSPND 215 and correspond selecting paragraphs A and C and\. Note: If the tax return is filed Married Filing Jointly then correspond if one or both signatures are missing.
Computation and amount of Miscellaneous Offshore Penalty (MOP) is missing,	The Certification is for Streamlined Domestic Offshore (SDO) Procedures (Form 14654),	SSPND 215 and correspond selecting paragraphs A and D .

Note: Code & Edit detaches the certification with the original signature and routes to LB&I and ensures that a copy of the signed certification is attached to each return. If the original certification is still attached, photocopy and attach a copy to each return and route the original to LB&I at MS 4305 AUSC.

Note: A substitute certification form is acceptable as long as it contains all the relevant information listed above including a signature under a jurat.

3.22.3.7.3.2
(01-01-2018)

**Replies to
Correspondence for
Returns Submitted
Using the Streamlined
Filing Compliance
Procedures**

- (1) If the correspondence was issued for incomplete certification, and all required information is now completed, do the following:

If	Then
A reply contains an original return that was missing from the initial submission,	<ol style="list-style-type: none"> 1. Walk the unprocessed return(s) through the pipeline to be processed. 2. Associate the newly processed return(s) with the submission being held in Suspense and follow the IRM procedures for returns filed using the Streamlined Filing Compliance Procedures.
Submission contains only original 1040 family returns,	<ol style="list-style-type: none"> 1. Edit CCC "M", CCC "R", and CCC "P" on each return in the submission. Delete CCC "N" if present. 2. Ensure a copy of the completed certification is attached to each tax return. 3. Route original certification to LB&I MS 4305 AUSC.
Submission contains both original and amended returns (Form 1040-X),	<ol style="list-style-type: none"> 1. Separate the submission between original and amended returns. 2. Edit CCC "M", CCC "R", and CCC "P" on each return in the submission. Delete CCC "N" if present. Note: Do not edit CCCs on Form 1040-X. 3. Place an AM Streamlined cover sheet along with a copy of the completed certification on each Form 1040-X and route to AM. 4. Route original certification to LB&I MS 4305 AUSC.

- (2) For incomplete replies or no replies see Exhibit 3.22.3-10.

3.22.3.8
(01-01-2026)

**Form 1040 With Form
2555 - Purpose of Form**

- (1) Form 2555 must be attached if any of the following indications are on Form 1040:
- IRC 911
 - A notation to see Form 2555
 - Foreign Housing Exclusion, Line 8z, Schedule 1, of Form 1040 (negative amount)

- Foreign Earned Income Exclusion, Line 8d, Schedule 1, of Form 1040 (negative amount)
 - Foreign Housing Deduction, line 24j Schedule 1, of Form 1040
- (2) A taxpayer with foreign earned income is entitled to claim the following exclusions and/or deductions on Form 2555 :
- Foreign-Earned Income Exclusion (Part VII); and/or
 - Housing Deduction, if housing costs were paid from self-employment earnings (Part VI and IX); or
 - Housing Exclusion, if housing costs were paid for with employer-provided amounts (Part VI and VIII).
- (3) A U.S. citizen or resident alien may use Form 2555 to exclude a limited amount of their foreign earned income and claim housing exclusion or deduction:

Tax Year	Maximum Foreign Earned Income Exclusion
2025	\$130,000
2024	\$126,500
2023	\$120,000
2022	\$112,000
2021	\$108,700
2020	\$107,600
2019	\$105,900
2018	\$103,900
2017	\$102,100
2016	\$101,300
2015	\$100,800
2014	\$99,200
2013	\$97,600
2012	\$95,100
2011	\$92,900
2010	\$91,500
2009	\$91,400
2008	\$87,600
2007	\$85,700
2006	\$82,400
2002 through 2005	\$80,000

- (4) For TY18 and prior, a U.S. citizen or resident alien living and working in a foreign country may use Form 2555-EZ to exclude a limited amount (\$103,900 for TY 2018) of his or her foreign earned income. However, if any of the below conditions apply, the taxpayer must use Form 2555:

- a. Foreign earned income is from self-employment;
- b. The total foreign earned income exclusion exceeds the maximum amount

Note: A taxpayer cannot claim more than the maximum amount on Form 2555 however this amount may indicate the taxpayer adding housing exclusion or business/moving expenses to their total exclusion amount

- ;
- c. Form 2555-EZ includes business or moving expenses; or
- d. Form 2555-EZ is used to claim housing exclusion or deduction.

- (5) Foreign earned income from a foreign country is wages or compensation for any personal services performed in any foreign country. **It does not include U.S. territories.**

Caution: Federated States of Micronesia, Marshall Islands, and Palau are treated as foreign countries for income tax purposes, and thus are eligible for the foreign earned income exclusion. These returns must be processed as FLC 20.

- (6) Unearned income may not be excluded on Form 2555 or Form 2555-EZ TY18 and prior. To avoid double taxation, foreign taxes paid on unearned income can be:

- a. Claimed as a credit on Form 1116, or
- b. Reported as a deduction on line 6 of Schedule A

- (7) A taxpayer can't claim a foreign tax credit or deduction for taxes paid on foreign earned income that was also excluded on Form 2555 or Form 2555-EZ.

- (8) U.S. citizens must report their worldwide income; so, taxpayers living or working outside the United States must file a U.S. income tax return.

- (9) A taxpayer qualifies for the foreign earned income exclusion under IRC 911 if the taxpayer meets the requirements of having a "tax home" in a foreign country or countries and is either:

- a. A U.S. citizen who is a bona fide resident of a foreign country or countries for an uninterrupted period (regardless of physical presence) which includes an entire taxable year; or
- b. A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty with an applicable nondiscrimination clause and who is a bona fide resident of a foreign country for an uninterrupted period that includes an entire taxable year; or
- c. A U.S. citizen or resident alien who has been physically present in a foreign country or countries for at least 330 days during any period of 12 consecutive months

Note: If the taxpayer has a partial tax year that falls within the qualifying period, the exclusion must be prorated for the partial year.

3.22.3.9

(01-01-2025)

U.S. Territories - General Information

(1) The following is a list of U.S. territories:

- American Samoa - AS
- Commonwealth of the Northern Mariana Islands - CNMI
- Guam - GU
- Puerto Rico - PR
- United States Virgin Islands - USVI

(2) To qualify for certain tax benefits, the taxpayer must be a U.S. citizen or resident alien and a bona fide resident of U.S. territory for the entire tax year. A bona fide resident of one of these U.S. territories is an individual taxpayer who:

- Does not have a tax home outside the relevant U.S. territory,
- Does not have a closer connection to the United States or to a foreign country,
- Meets the presence test. To satisfy the presence test for the entire year, the taxpayer must meet one of the conditions in the list below.
- Present in the relevant U.S. territory for **at least 183 days** during the tax year,
- Present in the relevant U.S. territory for **at least 549 days** during the three-year period consisting of the current taxable year and the preceding two tax years, provided the taxpayer was also present in the U.S. territory for at least 60 days during each tax year of the three-year period,
- Present in the United States for **no more than 90 days** during the tax year,
- Earned income (pay for personal services performed, such as wages, salaries or professional fees) from the United States of no more than \$3,000 and was present for more days in the U.S. territory than the United States during the tax year.
- No significant connection to the United States during the tax year, such as a permanent home, voter registration or spouse/minor child in the United States.

Note: It is often difficult to determine bona fide residency based on the test above. Therefore, for the purpose of processing income tax returns the following

#

Exception: For members of the U.S. Armed Forces see paragraph (4) below. For spouses of U.S. servicemembers see paragraph (5) below.

(3) Taxpayers that reside in any of the U.S. territories cannot claim the Earned Income Credit except in limited circumstances. Refer to **EC 337** at IRM 3.22.3.249.1 and **EC 338** at IRM 3.22.3.250.1.

- (4) The Servicemembers Civil Relief Act of 2003 (SCRA) provides special rules relating to a servicemember's residence for tax purposes. Under SCRA, a servicemember retains his or her jurisdiction of residence with the Department of Defense or equivalent for income tax purposes. A servicemember's residence is his or her "state of legal residence" (SLR), which is also known as home state, home of record, state of domicile, or state of residence. When the SLR is not a U.S. territory and the servicemember resides in a U.S. territory solely in compliance with military orders, the servicemember must file an income tax return with the IRS. When the SLR is a U.S. territory and the servicemember resides outside that territory solely in compliance with military orders, the servicemember must file an income tax return with the SLR territory. For further information, see Publication 570, Tax Guide for Individuals With Income from U.S. Possessions.
- (5) The Military Spouses Residency Relief Act of 2009 (MSRRA) provides special rules relating to civilian spouses of U.S. servicemembers for tax purposes. Under MSRRA, a civilian spouse of an active duty servicemember can choose to keep his or her prior residence or domicile for income tax purposes when accompanying the servicemember spouse who is relocating under military orders to a new military duty station in one of the 50 states, the District of Columbia, or a U.S. territory. Before relocating, the civilian and military spouse must have the same tax residence. For further information, See Pub 570, Tax Guide for Individuals With Income From U.S. Possessions. Bona fide residents of American Samoa and Puerto Rico who are civilian spouses of servicemembers who are stationed in one of the 50 states or the District of Columbia in compliance with military orders, have non-U.S. government income, are subject to U.S. withholding, and are claiming a refund of federal income taxes should follow the procedures in *Notice 2010-30*, *Notice 2011-16*, and *Notice 2012-41*.

3.22.3.9.1
(01-01-2020)

**The American Jobs
Creation Act of 2004**

- (1) The American Jobs Creation Act of 2004 (AJCA) clarified and supplemented the U.S. tax rules dealing with U.S. territories for determining if a taxpayer is a bona fide resident of a U.S. territory and whether income is from a territory source or effectively connected with the conduct of a U.S. territory trade or business.
- (2) Residence Rules - In general, IRC 937(a) provides rules for determining whether a taxpayer is a bona fide resident of a U.S. territory.
- (3) Source Rules - In general, IRC 937(b) provides that the principles for determining whether income is U.S. source and whether income is effectively connected with the conduct of a United States trade or business are applicable for purposes of determining whether income is U.S. territory source and whether income is effectively connected with the conduct of a trade or business in a U.S. territory. The regulations also generally provide that under the "U.S. Income Rule" of IRC 937(b)(2):
 - Income from United States sources is not treated as income that is U.S. territory source or effectively connected with the conduct of a U.S. territory trade or business, and
 - Income that is effectively connected with the conduct of a United States trade or business is not treated as U.S. territory source or effectively connected with U.S. territory trade or business.
- (4) The regulations provide the following exceptions to these rules:

- The regulations preserve the existing treatment of income from the sale of goods manufactured in a U.S. territory, which provides for the allocation of this income between U.S. territory sources.
- The regulations provide that gains from the disposition of certain property by a United States citizen or resident who owned the property on the date they became a bona fide resident of the U.S. territory may not be treated as from sources within a U.S. territory. This special gain rule applies to the disposition of certain property such as stocks, bonds, debt instruments, and other property that is held for investment. However, the taxpayer may elect to split the source of gains from the disposition of appreciated property subject to this rule by using a market-to-market allocation for marketable securities and a time-based allocation for other property.
- The regulations also provide certain anti-abuse rules for determining the source of dividends and interest from U.S. territory corporations.

3.22.3.9.1.1
(01-01-2020)

**Form 8898 - Statement
for Individuals Who
Begin or End Bona Fide
Residence in a United
States Possession**

- (1) Form 8898, *Statement for Individuals Who Begin or End Bona Fide Residence in a United States Possession*, is used to notify the IRS that an individual became or ceased to be a bona fide resident of a U.S. Territory.
- (2) The form must be filed by individuals who have worldwide gross income in the tax year greater than \$75,000 and who:
 - a. Take a position for United States tax purposes that they became a bona fide resident of a U.S. territory after a tax year for which they filed a United States tax return as a citizen or resident of the United States, but not as a bona fide resident of the U.S. territory,
 - b. Are a citizen or resident of the United States and take the position for United States tax purposes that they ceased to be a bona fide resident of a U.S. territory after a tax year for which they filed an income tax return as a bona fide resident of a U.S. territory,
 - c. Take a position for United States tax purposes that they became a bona fide resident of Puerto Rico or American Samoa after a tax year for which they were required to file an income tax return as a bona fide resident of the United States Virgin Islands, Guam or the CNMI.

3.22.3.9.2
(01-01-2013)

**American Samoa -
General Information**

- (1) American Samoa has its own separate and independent income tax system.
- (2) Bona fide residents of American Samoa are generally exempt from United States tax on their American Samoa source income.
- (3) United States Armed Forces - Bona fide residents of American Samoa include military personnel whose official home of record (i.e., SLR) is American Samoa. See instructions at IRM 3.22.3.9 above.

3.22.3.9.2.1
(01-01-2016)

**American Samoa (AS) -
Which Returns To File**

- (1) Generally, returns will be filed with both the American Samoa (AS) and the United States. The income reported on each return depends on the taxpayer's residency status in American Samoa.
 - a. Bona Fide residents may have to file 2 returns:
 - AS with worldwide income
 - U.S. with worldwide income excluding AS income

- b. Non-Bona Fide residents may have to file 2 returns:
 - AS with only AS income
 - U.S. with worldwide income
- (2) If the taxpayer is a United States citizen, resident alien or nonresident alien and **a bona fide resident of AS** during the entire tax year, they generally must file the following returns:
- a. An AS tax return to report gross income from worldwide sources.
 - b. A United States tax return to report income from worldwide sources, but exclude income from sources within AS (**IRC 931**). Form 4563 can be attached. See IRM 3.22.3.9.2.1.2

Note: A taxpayer who is a bona fide resident of AS and has only income derived from sources in AS, doesn't have a United States income tax filing obligation.

Exception: Income received for services performed as an employee of the United States government or any of its agencies cannot be excluded from the United States tax return. If the United States government wages are reported on both the United States and AS tax returns, Form 1116 can be attached to the United States tax return to claim credit for the taxes paid to AS.

- (3) If the taxpayer is a United States citizen, resident alien or nonresident alien and **not a bona fide resident of AS** during the entire tax year, they generally must file the following returns:
- a. An AS tax return to report only income from sources within AS.
 - b. A United States tax return to report income from worldwide sources. Form 1116 can be used to claim a credit for income taxes paid to American Samoa on American Samoa source income subject to double taxation for income taxes.

Exception: Nonresident aliens report only U.S. source and U.S. effectively connected income.

3.22.3.9.2.1.1

(11-27-2020)

**Processing Form 1040
With Income or Address
From American Samoa**

- a. SSPND 640 to send the return to Rejects to delete the DLN out of the system.
 - b. Prepare Form 3696-A to initiate *Letter 86-C* to inform the taxpayer that his/her return has been transshipped to the Tax Division Government of American Samoa for processing
 - c. Send the return to:
American Samoa Tax Office
Executive Office Building
First Floor
Pago-Pago AS 96799
- (2) If there is no indication that the taxpayer is a bona fide resident of American Samoa, continue processing the return.

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3.22.3.9.2.1.2
(01-01-2013)

**Form 4563 - Exclusion
of Income for Bona Fide
Residents of American
Samoa**

- (1) Form 4563, *Exclusion for Bona Fide Residents of American Samoa*, is used to figure the amount of income from sources within American Samoa that may be excluded in accordance with **IRC 931** from gross income on Form 1040.
- (2) This exclusion may be claimed if a taxpayer is a United States citizen, resident alien or nonresident alien and a bona fide resident of AS. Eligible taxpayers will file Form 1040 and:
 - Attach Form 4563, and
 - Report worldwide income
- (3) **Income that can be excluded** in accordance with IRC 931:
 - Income received from sources in AS, and
 - Income effectively connected with the conduct of a trade or business in AS.

Caution: Income received for services performed as an employee of the United States government or any of its agencies is not excluded from gross income under IRC 931.
- (4) If the taxpayer claims the exclusion in accordance with IRC 931, the following are examples of **deductions and credits that will be limited** on Form 1040:
 - The standard deduction
 - Certain itemized deductions such as medical and dental expenses, gifts to charity, and real estate taxes and mortgage interest on personal residence.

3.22.3.9.3
(01-01-2023)

**Commonwealth of the
Northern Mariana
Islands (CNMI) - General
Information**

- (1) The CNMI has its own income tax system based partly on the same tax laws and tax rates that apply to the United States, and partly on local taxes imposed by the CNMI government.
- (2) In general, **all individuals with income from the CNMI will file only one return**, either with CNMI or the United States. The taxpayer's residency status under IRC 937(a) with respect to the CNMI determines which return they will file.

Exception: See below for procedures for active and reserve military members.

- a. Bona Fide residents with worldwide income -- if properly filed with CNMI, a taxpayer will not have to file a return with the U.S.
- b. Non-Bona Fide residents with worldwide income -- taxpayer is instructed to claim withholding from both U.S. and CNMI on a U.S. income tax return.
- (3) Taxpayers that reside in any of the U.S. territories cannot claim Earned Income Credit except in limited circumstances. Refer to IRM 3.22.3, **EC 337 and EC 338**.
- (4) Members of the U.S. Armed Forces who:
 - a. Qualify as a bona fide resident of the CNMI in a prior tax year, and are absent from the CNMI solely in compliance with military orders must file with CNMI

- b. Did not qualify as a bona fide resident of the CNMI in a prior tax year, and are present in the CNMI solely in compliance with military orders must file with the IRS.

3.22.3.9.3.1
(01-01-2013)
**CNMI - Which Returns
To File**

- (1) If the taxpayer is a United States citizen, resident alien or nonresident alien and a **bona fide resident** of the CNMI during the entire tax year, they must file their income tax return with the CNMI.
- (2) If the taxpayer is a United States citizen or resident alien and **not a bona fide resident** of the CNMI during the entire tax year, they must file their income tax return with the United States. The tax return will include:
 - a. Form 1040 reporting income from worldwide sources
 - b. All income tax withheld by either the United States or CNMI
 - c. Any credit for overpayment of income tax to either the United States or CNMI
 - d. Any payments of estimated tax to either the United States or CNMI
 - e. Payment of any balance of tax due
 - f. Form 5074 if the adjusted gross income is \$50,000 or more for the tax year and gross income of \$5,000 or more is from sources within the CNMI.

Exception: Military employees do not require a Form 5074.

- (3) If the taxpayer is a nonresident alien of the United States and **not a bona fide resident** of CNMI during the entire tax year, they must do the following:
 - a. File a CNMI income tax return to report only their CNMI source income.
Note: In this situation CNMI source income is any income received for services performed in CNMI, even if they were paid by the U.S. government.
 - b. A United States tax return (Form 1040-NR) to report U.S. source income.

3.22.3.9.3.1.1
(11-27-2020)
**Processing Form 1040
With Income or Address
From CNMI**

- (1) If there is an indication that the taxpayer is a bona fide resident of **CNMI**, see IRM 3.22.3.9 and follow the instructions below:
 - a. SSPND 640 to send the return to Rejects to delete the DLN out of the system.
 - b. Prepare Form 3696-A to initiate *Letter 86-C* to inform the taxpayer that his/her return has been transshipped to the Division of Revenue and Taxation of CNMI for processing.
 - c. Send return to:
Commonwealth of the Northern Mariana Islands
Division of Revenue and Taxation
P.O. Box 5234, CHRB
Saipan, MP 96950

return allowing any withholding from CNMI.

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3.22.3.9.3.1.2
(01-01-2020)

**Form 5074 - Allocation
of Individual Income Tax
to Guam or the
Commonwealth of the
Northern Mariana
Islands (CNMI)**

- (1) Form 5074, *Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)*, provides information to the United States so that the IRS can figure the individual income tax that is due to Guam or CNMI.
- (2) Taxpayers must file Form 5074 when all three of the following apply:
 - Taxpayer files a United States income tax return on Form 1040,
 - Taxpayer reports adjusted gross income of \$50,000 or more, and
 - At least \$5,000 of the gross income on their return is from Guam or CNMI sources
- (3) When Form 5074 is attached, Code & Edit will enter Audit Code "L" on the return.

If	Then
Code & Edit did not edit Audit Code "L",	Enter "L" in Field 01ACD.
Section 02 is present,	Delete the entries in the unallowable fields and make the necessary adjustments to prevent the computer from generating unallowable codes.

Note: When Form 5074 is attached, all amounts on it must be included on the Form 1040. Enter amounts in appropriate fields as necessary. Form 5074 is not filed with the U.S. territories per form instructions.

3.22.3.9.4
(01-01-2013)
**Guam - General
Information**

- (1) Guam has its own income tax system based partly on the same tax laws and tax rates that apply to the United States
- (2) In general, **all individuals with income from Guam will file only one return**, either with Guam or the IRS. The taxpayer's residency status regarding Guam determines which return they will file.
- (3) Members of the U.S. Armed Forces who:
 - a. Qualify as a bona fide resident of Guam in a prior tax year, and are absent from Guam solely in compliance with military orders, must file with Guam
 - b. Did not qualify as a bona fide resident of Guam in a prior tax year, and are present in the Guam solely in compliance with military orders, must file with the IRS.

3.22.3.9.4.1
(01-01-2013)
**Guam - Which Returns
To File**

- (1) If the taxpayer is a United States citizen, resident alien or nonresident alien and a **bona fide resident** of Guam during the entire tax year, they must file their income tax return with Guam.
- (2) If the taxpayer is a United States citizen or resident alien and **not a bona fide resident** of Guam during the entire tax year, they must file their income tax return with the IRS. The tax return will include:
 - a. Form 1040 reporting income from worldwide sources

- b. All income tax withheld by either the United States or Guam
- c. Any credit for overpayment of income tax to either the United States or Guam
- d. Any payments of estimated tax to either the United States or Guam
- e. Payment of any balance of tax due
- f. Form 5074 if the adjusted gross income is \$50,000 or more for the tax year and gross income of \$5,000 or more is from sources within Guam.

Exception: Military employees do not require a Form 5074.

- (3) If the taxpayer is a nonresident alien of the United States and **not a bona fide resident** of Guam during the entire tax year, they must do the following:

- a. File a Guam income tax return to report only their Guam source income.

Note: In this situation Guam source income is any income received for services performed in Guam, even if they were paid by the U.S. government.

- b. A United States tax return (Form 1040-NR), to report U.S. source income.

3.22.3.9.4.1.1
(01-01-2024)

**Processing Form 1040
With Income or Address
From Guam**

- (1) If there is an indication that the taxpayer is a bona fide resident of Guam, see IRM 3.22.3.9 and follow instructions below:
- a. SSPND 640 to send the return to Rejects to delete the DLN out of *Letter 86-C* the system.
 - b. Prepare Form 3696-A to initiate to inform the taxpayer that his/her return has been transshipped to the Department of Revenue and Taxation of Guam
 - c. SSPND 640
 - d. Send the return to:
Department of Revenue and Taxation
Taxpayer Services Division
P.O. Box 23607
GMF, GU 96921

#

return.

3.22.3.9.4.1.2
(01-01-2015)

**Form 5074 - Allocation
of Individual Income Tax
to Guam or the
Commonwealth of the
Northern Mariana
Islands (CNMI)**

- (1) Form 5074 - *Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands (CNMI)*, provides information to the United States so that the IRS can figure the individual income tax that is due to Guam or CNMI.
- (2) Taxpayers must file Form 5074 when all three of the following apply:
- Taxpayer files a United States income tax return on Form 1040,
 - Taxpayer reports adjusted gross income of at least \$50,000 or more, and
 - At least \$5,000 of the gross income on their return is from Guam or CNMI sources
- (3) When Form 5074 is attached, Code & Edit will enter Audit Code "L" on the return.

If	Then
Code & Edit did not edit Audit Code "L",	Enter "L" in Field 01ACD.
Section 02 is present,	Delete the entries in the unallowable fields and make the necessary adjustments to prevent the computer from generating unallowable codes.

3.22.3.9.5
(03-06-2024)
**Puerto Rico (PR) -
General Information**

- (1) The Commonwealth of Puerto Rico has its own separate independent income tax system.
- (2) Generally, the taxpayer will file returns with both Puerto Rico and the IRS. The income reported on each return depends on the taxpayer's residency status in Puerto Rico. See IRM 3.22.3.9 for instructions in determining if the taxpayer is a bona fide resident of Puerto Rico.

Note: References to IRC 933 and Section 933 are considered to be the same.

3.22.3.9.5.1
(03-06-2024)
**Puerto Rico (PR) -
Which Returns To File**

- (1) Generally, returns will be filed with both Puerto Rico and the United States. The income reported on each return depends on the taxpayer's residency status in Puerto Rico.
 - a. United States citizens or resident aliens who are also **bona fide residents** of PR during the entire tax year may have to file 2 returns:
 - PR with worldwide income
 - U.S. with worldwide income, excluding PR income

Note: If all the income is from PR sources, a U.S. tax return is not required. However, taxpayers who have effectively connected net business income of more than \$400 from a trade or business in PR must file a Form 1040-SS (sp)/ Form 1040-SS to pay self-employment tax.

 - b. U.S. citizens or resident aliens who aren't bona fide residents may have to file 2 returns
 - PR with only PR income
 - U.S. with worldwide income, claiming a foreign tax credit for income taxes paid to PR.
- (2) If the taxpayer is a **United States citizen or resident alien and a bona fide resident** (as explained in IRM 3.22.3.9) of Puerto Rico during the entire tax year, they must do the following:
 - a. File a Puerto Rican return to report income from worldwide sources.
 - b. If the taxpayer has income from other than PR sources, they must also file a United States tax return to report income from worldwide sources, but exclude Puerto Rico source income (**IRC 933**). The taxpayer will not be allowed any deductions or credits that are directly or indirectly allocable to exempt income.

Exception: Income received for services performed as an employee of the United States government or any of its agencies cannot be excluded from the IRS tax return. If United States govern-

ment wages are reported on both the IRS and Puerto Rican tax returns, Form 1116 can be attached to the IRS tax return to claim a credit for income taxes paid to Puerto Rico.

Note: U.S. government cost of living allowances are excludable from U.S. income tax.

- c. If the taxpayer doesn't have any income other than PR source income, they are only required to file a Puerto Rican return.
- (3) If the taxpayer is a **nonresident alien of the United States and a bona fide resident** of Puerto Rico during the entire tax year, they must file the following returns:
 - a. A Puerto Rican tax return to report income from worldwide sources.
 - b. A United States tax return to report income from worldwide sources, but exclude Puerto Rican source income (**IRC 933**). The taxpayer isn't allowed to claim the standard deduction, cannot file a joint return, and is not allowed deductions for dependents unless the person is a citizen or national of the United States, a resident of the United States, or a resident of a country contiguous to the United States.

Exception: Income received for services performed as an employee of the United States government or any of its agencies cannot be excluded. If United States government wages are reported on both the IRS and Puerto Rican tax returns, Form 1116 can be attached to IRS tax return to claim a credit for the taxes paid to Puerto Rico.
- (4) If the taxpayer is a **United States citizen or resident AND not a bona fide resident** of Puerto Rico during the entire tax year, they must file the following returns:
 - a. A Puerto Rican tax return to report income from Puerto Rican sources.
 - b. A United States tax return to report income from worldwide sources. Form 1116 can be attached to claim credit for income taxes paid to Puerto Rico or Puerto Rico source income subject to double taxation.
- (5) If the taxpayer is a **nonresident alien of the United States AND does NOT qualify as a bona fide resident** of Puerto Rico, the taxpayer must file the following returns:
 - a. A Puerto Rican tax return to report income from Puerto Rican sources.
 - b. A United States tax return, Form 1040-NR, according to the rules for a nonresident alien, reporting only U.S. source and U.S. effectively connected income.

3.22.3.9.5.2
(03-06-2024)
**Processing Form 1040
With Income or Address
From Puerto Rico (PR)**

- (1) If the taxpayer is filing Form 1040 with a PR address or PR income, continue processing the return if the taxpayer is a U.S. government employee, or reporting income from outside of PR (worldwide income), or notates IRC 933 anywhere on the return. Do not SSPND 640 to send the return back to the taxpayer.

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tion in paragraph (1) above doesn't apply:

- a. SSPND 640 to send the return to Rejects to delete the DLN out of the system.
- b. For all tax years except TY 21 prepare Form 9143 and mail the return back to the taxpayer with the following narrative : "Since you appear to be a bona fide resident of PR with only PR income, you do not have a U.S. tax filing obligation. However, if you have self-employment income from Puerto Rico and/or you wish to claim the additional Child Tax Credit you must do so on a Form 1040-SS (sp) / Form 1040-SS. Otherwise, if you have not already done so, you should file a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501"
- c. For TY 21 prepare Form 9143 and mail the return back to the taxpayer with the following narrative for TY 21: "Since you appear to be a bona fide resident of PR with only PR income, you do not have a U.S. tax filing obligation. However, if you have self-employment income from Puerto Rico and or you wish to claim the refundable Child Tax Credit you must do so on a Form 1040-SS (sp)/Form 1040-SS. Otherwise, if you have not already done so, you should file a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501"

Note: If the return was filed electronically, **DO NOT** print out copy of the return for the taxpayer. Prepare Form 9143 as indicated above.

- (3) If the return was previously rejected per (2) above and the taxpayer resubmits his/her return with no changes or indications as to why they are filing a Form 1040, follow the steps below:
 - a. SSPND 640 to send the return to Rejects to delete the DLN out of the system.
 - b. Prepare Form 9143 and mail the return back to the taxpayer with the following narrative: Usted no está obligado a radicar una planilla de impuestos de los EE.UU, ya que usted parece ser residente bona fide de PR y tiene ingresos solamente de PR. Sin embargo, si tiene ingresos del trabajo por cuenta propia de Puerto Rico y/o usted desea reclamar el Crédito tributario adicional por hijos, usted tiene que completar el Formulario 1040-SS (sp). De lo contrario, si usted no lo ha hecho, debe radicar una planilla con el Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501.
- (4) If there is no indication that the taxpayer is a bona fide resident of Puerto Rico (as indicated above), continue processing the return.

3.22.3.9.6
(01-01-2013)
**United States Virgin
Islands (USVI) - General
Information**

- (1) The USVI system of income taxation is based upon the United States Internal Revenue Code as amended. An important factor in USVI taxation is whether, during the entire taxable year, the taxpayer is a bona fide resident of USVI.
- (2) In general, a bona fide resident of the USVI pays tax only to the USVI.
- (3) A United States citizen or resident alien who is not a bona fide resident of the USVI, but has USVI source income, is required to pay the allocable portion of the tax to each jurisdiction.

3.22.3.9.6.1
(01-01-2025)

**United States Virgin
Islands - Which Returns
To File**

- (1) In general, bona fide residents of the USVI pay taxes only to the USVI. U.S. citizens or resident aliens (but not bona fide residents of the USVI) with USVI source income, pay a portion of tax to each jurisdiction:
 - a. Bona fide residents -- include your worldwide income on your USVI return. If properly filed with the USVI, a taxpayer will not have to file a return with the United States.

Note: Taxpayers who have income that is effectively connected net business income of more than \$400 from a trade or business in USVI, must file Form 1040-SS with the United States to pay self-employment tax.
 - b. Non-bona fide residents with worldwide income -- taxpayer must file identical returns with USVI and the U.S. Form 8689 must be attached to both returns.
- (2) If the taxpayer is a United States citizen, resident alien, or nonresident alien and a **bona fide resident** of the USVI (as explained in IRM 3.22.3.9) during the entire tax year, and their gross income is **less than \$75,000** the taxpayer must file with the USVI and report worldwide income.
- (3) For taxable years ending before December 31, 2006, if the taxpayer is a United States citizen, resident alien, or nonresident alien and a **bona fide resident** of the USVI during the entire tax year, and their gross income is **\$75,000 or more** the taxpayer must file with:
 - a. The USVI and report worldwide income and
 - b. The IRS, in order to start the U.S. statute of limitations on assessment.

Note: The tax return filed with the IRS will include taxpayer's name, address, Taxpayer Identification Number (TIN) and signature.
- (4) For taxable years ending on or after December 31, 2006, all United States citizens, resident aliens, and nonresident aliens who are bona fide residents of the USVI must file with the USVI and report worldwide income.
- (5) If the taxpayer is a United States citizen or resident alien and **not a bona fide resident** of the USVI during the entire tax year, the taxpayer must file identical tax returns with the IRS and the USVI if the taxpayer has:
 - a. Income from sources in the USVI or
 - b. Income effectively connected with the conduct of a trade or business in the USVI.

Note: The taxpayer will complete and attach Form 8689 to both returns to determine how much tax to pay to the U.S. and to the U.S. Virgin Islands.

3.22.3.9.6.1.1
(01-01-2025)

**Processing Form 1040
With Income or Address
From United States
Virgin Islands**

- a. SSPND 640 to send the return to Rejects to delete the DLN out of the system.
- b. Prepare Form 3696-A to initiate *Letter 86-C* to inform the taxpayer that his/her return has been transshipped to the Virgin Islands Bureau of Internal Revenue for processing and
- c. Send the return to:

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Virgin Islands Bureau of Internal Revenue
 6115 Estate Smith Bay
 Suite 225
 St. Thomas, VI 00802

Caution: If **Form 8689** is attached or there is an indication on the dotted portion of total payments line that the taxpayer is reporting taxes paid to the USVI, or the taxpayer is filing in compliance with Notice 2007-19 (zero return, taxpayer's name, address, TIN and signature), **DO NOT SEND THESE RETURNS TO THE USVI**. See processing instructions below.

- (2) If there is no indication that a taxpayer is a bona fide resident of the USVI, continue processing the return.

3.22.3.9.6.1.2
 (01-01-2025)

Form 8689 - Allocation of Individual Income Tax to the United States Virgin Islands

- (1) Form 8689 - *Allocation of Individual Income Tax to the United States Virgin Islands* is used to figure the amount of United States tax allocable to the USVI.

Caution: If Form 8689 is attached, or there is an indication on the dotted portion of line 33 (TY19, line 19) of Form 1040 or Schedule 3, line 13 (TY19, line 14) that the taxpayer is either reporting taxes paid to the USVI or filing in compliance with Notice 2007-19 (zero return, taxpayer's name, address, TIN and signature), do not send these returns to the USVI. See IRM 3.22.3.9.6.1.3 below.

- (2) Form 8689 must be attached to take the credit for United States tax allocated

lines 41 and 46 of Form 8689 and include that amount in the total portion of line 33 (TY19, line 19) of Form 1040. See IRM 3.22.3.263.2.2, *EC 366, Form 8689 - Allocation of Income Tax to the U.S. Virgin Islands*. SSPND 215 and

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3.22.3.9.6.1.3
 (01-01-2025)

Form 1040 in Compliance With Notice 2007-19

- (1) If you can determine that the taxpayer is filing in compliance with Notice 2007-19, then process the return. Some indications could be:

- a. Notation on the return "Notice 2007-19"
- b. Zero tax return (no dollar entries)
- c. Affirmation statement indicating filed a USVI Form 1040
- d. Statement of gross income of \$75,000 or more
- e. Statement affirming the taxpayer's bona fide residency in the USVI along with a summary of facts on which the residency is based

3.22.3.9.6.1.3.1
 (01-01-2025)

Processing Form 1040 Filed With the IRS in Compliance With Notice 2007-19

- (1) These returns must be hand carried from function to function.

- (2) Code & Edit is instructed to "X" all entries except:

- a. Caption information
- b. Computer Condition Code (CCC) and Return Processing Code (RPC)
- c. Received Date

Caution: If the return includes both Notice 2007-19 and Form 8689, use only the instructions to process Form 1040 with Form 8689.

- (3) If data is present other than the caption information, CCC, RPC or received date, delete entries and/ or section(s).

Note: Always use the received date stamped by compliance.

3.22.3.9.6.1.4
(01-01-2025)
**Form 1040 in
Compliance with Notice
2007-31**

- (1) The USVI Bureau Internal Revenue (BIR) will send to the IRS copies of the taxpayers' returns for 2006 and later when the taxpayer files a return with the USVI BIR and they meet each of the following conditions:
 - a. Bona fide resident of USVI
 - b. Gross income of \$75,000 or more
- (2) The return will be only page 1 of Form 1040 and include a watermark "Filed due to VI Notice 2007-31" in the upper left corner of page 1 Form 1040.

3.22.3.9.6.1.4.1
(01-01-2013)
**Processing Form 1040 in
Compliance with Notice
2007-31**

- (1) These returns must be hand carried from function to function. Code & Edit is instructed to "X" all entries except:
 - Caption information
 - RPC "L"
 - RPC "V"
 - Received Date
- (2) If data is present other than the caption information, RPC "L" and RPC "V" or received date, delete entries and/or section.

Note: DO NOT CORRESPOND or ISSUE Taxpayer Notice Codes (TPNC)

3.22.3.9.7
(01-09-2024)
**Processing U.S. Virgin
Islands (VI) Cover Over
Program Form 1040**

- (1) The Virgin Islands Bureau of Internal Revenue (BIR) sends Form 1040 tax return to the IRS that require special handling and editing, a process identified in Submission Processing as the VI Cover Over Program. These returns are batched together and hand carried to each function, including ERS.
- (2) Code & Edit is instructed to **X** all entries except:
 - Caption information
 - Special Processing Codes (SPCs), Computer Condition Codes (CCCs) and Return Processing Codes (RPCs)
 - Received Date
- (3) Follow these instructions when processing these returns in ERS:

If	Then
A U.S. address is entered in Section 01,	Delete the address.
Field 01SPC is blank,	GTSEC 01 and enter "B" in Field 01SPC.
Field 01CCC is blank,	GTSEC 01 and enter "3", B , and "O" in Field 01CCC. Note: CCC "3" must be entered first.

If	Then
The received date is missing in Field 01RCD,	GTSEC 01 and enter the correct received date in Field 01RCD. Note: Always use the USVI Received Date if present. If not present, use the signature date.
Field 01RPC is blank,	GTSEC 01 and enter B and L in Field 01RPC. Also enter RPC K for Statute years. Note: USVI Cover Over returns don't require Statute review, but RPC K is required for the returns to close in ERS.
Entries are present in fields other than Section 01,	Delete the entries.

- (4) **Don't correspond or assign TPNCs on a VI Cover Over return.** If an error code generates and a TPNC is required to resolve the error, assign TPNC 100 with the following literal instead of the TPNC specified in the error code instructions: "VI Cover Over return - Void Notice".

3.22.3.10
(01-01-2026)
Form 1040-SS and

- (1) In PY24 Form 1040(PR) is historical and is replaced with Form 1040-SS (sp). For the remainder of this text Form 1040-SS (sp) will be referred to as Form 1040-SS; however, all correction procedures will apply equally to Form 1040-SS (sp) and Form 1040-SS. Form 1040-SS can be filed by a taxpayer residing in AS, CNMI, GU, PR and the USVI. Form 1040-SS is filed to:
- Report net earnings from self-employment and pay self-employment taxes.
 - Pay any household employment taxes.
 - Claim excess Social Security taxes withheld.
 - Pay any employee Social Security and Medicare tax on unreported tips or uncollected employee Social Security and Medicare tax on tips or group term insurance.
 - Claim additional Child Tax Credit for TY 20 and prior. (Only if qualified bona fide resident of Puerto Rico with 3 or more qualifying children).
 - Claim refundable Child Tax Credit for TY 21 (Only if qualified bona fide resident of Puerto Rico).
 - Claim additional Child Tax Credit for TY 22 and later (Only if qualified bona fide resident of Puerto Rico with 1 or more qualifying children).
 - Claim the health coverage tax credit for TY 21 and prior. (Only if qualified bona fide resident of Puerto Rico)
- (2) Form 1040-SS is a 3 page return.
- (3) All Form 1040-SS are processed under FLC 21.

- (4) See chart below to determine Document Code and return due Date:

Form Filed	Document Code	Return Due Date
Form 1040(PR)/ 1040SS (sp)	27	15th day of the fourth month
Form 1040-SS	26	15th day of the fourth month

Note: If the Return Due Date falls on a weekend or legal holiday, the return will be due the first business day following the weekend or legal holiday. The return will be considered timely filed if received on the next business day following the weekend or legal holiday. See Exhibit 3.22.3-17 for current year return due dates.

3.22.3.11
(01-01-2025)
Form 1040-NR

- (1) Form 1040-NR are filed by:
- Nonresident aliens who have United States source income or income effectively connected with a U.S. trade or business.
 - Nonresident aliens who are temporarily present in the United States
 - Dual-status taxpayers in the year of entry into or departure from the United States
 - Dual-status taxpayers in the year that status changed due to expatriation.
- (2) All Form 1040-NR are processed under FLC 20.
- (3) Income reported on Form 1040-NR is classified as either effectively connected with a United States trade or business or not effectively connected with a United States trade or business.
- (4) See Chart below to determine Document Code and Return Due Date:

Form Filed	Criteria	Document Code	Return Due Date
Form 1040-NR	Wages on line 1a (TY19, line 8)	73	15th day of fourth month
Form 1040-NR	No wages	72	15th day of the sixth month

Note: If the Return Due Date falls on a weekend or legal holiday, the return will be due the first business day following the weekend or legal holiday. See Exhibit 3.22.3-17 for current year return due dates.

- (5) Form 1040-NR **must be transshipped to Kansas City Submission Processing Center (KCSPC)** when any of the following conditions exist, SSPND 640:
- TIN is an Employee Identification Number (EIN) formatted xx-xxxxxxx or
 - The name line has other than an individual's name (such as an estate or trust) or
 - Line 13b (TY19/TY18 Line 39) is \$300 or \$100 (Trust) or \$600 (Estate) or

- d. Taxpayer quotes IRC 642(b)(2)(c) and enters \$4700 on line 13b (TY22 - \$4,400; TY20 and TY21 - \$4,300; TY19 and TY18, \$4,150 on line 39).

- (6) In some instances, the taxpayer may file a short period Form 1040-NR before the end of the tax year due to the date of final departure from the United States. These early filed returns must be processed as 202412 (calendar-year returns). SSPND 480 and attach Form 4227 to the return, notating "Hold for 2024 processing."

Exception: If the return is received prior to August 1, SSPND 640 and use Form 9143 to advise the taxpayer that they must refile in January.

- (7) When a refund Form 1040-NR has an address written on line 35e of Form 1040-NR that differs from the entity address, see the EC 260 instructions for manual refunds at IRM 3.22.3.193.6.
- (8) Rev. Rul. 68-500 allows Form 1040-NR to include a facsimile signature signed for the taxpayer by an agent. Accept the facsimile signature and process the returns that are signed for the taxpayer by an agent. (Attorney-in-Fact)
- (9) See IRM 3.22.3.14.1, *Refund Schemes*, for instructions on when to code Form 1040-NR refund returns with Computer Condition Code "O" (CCC O).

3.22.3.11.1
(01-01-2025)

Resident Alien - General Information

- (1) A taxpayer is a Resident Alien of the United States for tax purposes and must file Form 1040 if they meet either the "green card test" or the "substantial presence test" for the calendar year. If they do not meet either of these tests, they file Form 1040-NR, if applicable.

Note: If certain conditions are met, a nonresident alien may make a first year choice to be treated as a resident alien for part of the tax year.

- (2) **Green Card Test** is met when a taxpayer is a lawful permanent resident of the United States at any time during the calendar year and has been issued an alien registration card (Form I-551), also known as a "green card". All references made throughout this IRM to "green card" include Form I-551 for all years after 1996. Form I-151 is only acceptable as proof of permanent residency for TY96 and prior. See 2512-001, *International Tax Returns Job Aid*.
- (3) To meet the **Substantial Presence Test** the taxpayer must be physically present in the United States on at least
 - a. 31 days during the tax year of the return, **and** days during the **3 year period** that includes the tax year of the return and the 2 years prior to the tax year of the return.

Example: Taxpayer is filing a 2023 tax return and was present in the United States 150 days in 2023, 150 days in 2022 and 150 days in 2021 the total days would be 225 days. See chart below:

- b. Use the following table to determine Substantial Presence.

Substantial Presence Determination
The taxpayer will count each day they were present in the United States during the tax year of the return (If present in the United States 150 days in 2023, then 2023 = 150 days.), AND
Add $\frac{1}{3}$ of the days they were present in the United States during the first year prior to the tax year of the return (If present in the United States 150 days in 2023, then $\frac{150}{3} = 50$ days for 2022. The days in the United States are 200 days. 150 days (for 2023) + 50 days (for 2022) = 200 days.), AND
Add $\frac{1}{6}$ of the days they were present in the United States during the second year prior to the tax year of the return (If present in the United States 150 days in 2021 then $\frac{150}{6} = 25$ days for 2021. The total days in the United States for the three year period is 225 days. 150 days (for 2023) + 50 days (for 2022) + 25 days (for 2021) = 225 days.) Exception: Certain exception apply to exempt an individual from being considered a U.S. resident under the substantial presence test. See Exhibit 3.22.3-7 for types of Visas.

3.22.3.11.2
(01-01-2023)
**Nonresident Alien -
General Information**

- (1) **Nonresident Aliens** report only U.S. source income and income that is effectively connected with a U.S. trade or business on Form 1040-NR. U.S. source income is reported on Form 1042-S, Form W-2, Form 1099 series, Form 8805, Form 8288-A, Form SSA/RRB 1042-S, or statement of income and received from:
 - a. U.S. payer or
 - b. Foreign payers for services performed in the U.S.
 - c. Financial institutions because the account holder failed to provide the required information for the financial institution to report under FATCA
- (2) United States tax law exempts nonresident aliens from United States taxation on interest from deposits in United States bank accounts if such interest is not effectively connected with a U.S. trade or business.
- (3) Effectively Connected Income, after allowable deductions, is reported on page 1 of the Form 1040-NR and is taxed at graduated rates. These are the same rates that apply to U.S. citizens and residents.
- (4) Non-Effectively Connected Income is reported on Schedule NEC of Form 1040-NR and is taxed at a flat 30 percent rate or at a lower treaty rate if a tax treaty exists between the United States and the taxpayer's foreign country of residence, and no deductions are allowed against such income.
- (5) When a taxpayer performed services as an employee both inside and outside the United States, the taxpayer must allocate their compensation between the United States and non-U.S. sources.

Note: Only the U.S. source income is included on line 1a of Form 1040-NR as effectively connected wages.

3.22.3.11.3
(11-08-2021)
**Form 1040-NR Country
of Residence**

- (1) Determine the country of permanent residence of a nonresident alien by using the taxpayer's information on the return, in the following order:
 - a. Schedule OI, Line B Form 1040-NR
 - b. Schedule OI, Line A Form 1040-NR
 - c. Address from the Entity section of Form 1040-NR
 - d. Review of any attachments

3.22.3.11.4
(01-01-2024)
**Scholarship or
Fellowship Grants
Income**

- (1) When Scholarship or Fellowship Grants income is paid to a resident of a country with a tax treaty that exempts this type of income from taxation, the exempt income may be reported on line 1k (TY21 and prior 1c, Form 1040-NR) Form 1040-NR. See the instructions for verifying Scholarship or Fellowship Grants income treaty claims in EC 218 at IRM 3.22.3.168.2.2.1 (Form 1040-NR).

Caution: When it can be determined that the taxpayer's income is from an occupation other than student (Form W-2 issued from other than a qualified education institution, occupation area of the return indicates intern, technical supporter, doctor, etc.), do not allow the treaty claim for a Scholarship or Fellowship Grant.

- (2) When Scholarship or Fellowship Grant income is paid to a resident of a country without a tax treaty with the United States:
 - The income may not be exempted under a tax treaty.
 - The income must be reported on line 8r, Schedule 1 (TY21 and prior line 1b, Form 1040-NR).
 - For TY 21 and prior If the taxpayer is a "Degree Candidate", amounts received from a qualified educational institute for education related expenses (books, fees, tuition) may be deducted on line 10c, Form 1040-NR.
 - For TY 22 and later **Degree Candidates** may deduct amounts received from a qualified educational institute for education related expenses (books, fees, tuition) and report the net on line 8r, Schedule 1.

3.22.3.11.5
(01-01-2024)
**Article XXV - United
States and Canada
Income Tax Treaty**

- (1) When a Form 1040-NR is received from a married Canadian resident (who is not a U.S. citizen) who has U.S. source wages that are subject to tax in the United States, they may be able to compute their U.S. tax liability in accordance with the special provision contained in Article XXV(3) of the U.S.-Canada Tax Treaty.
- (2) Review Form 1040-NR from Canadian resident taxpayers for the following indications that they are computing their U.S. tax on wages using Article XXV(3):
 - a. Two names are present in the entity section of the return; or
 - b. Hypothetical married filing joint tax computation using worldwide income for both taxpayers (Form 1040 or statement); or
 - c. A statement is attached indicating that a special computation permitted by the U.S.- Canada Tax Treaty has been used; or
 - d. A notation of "Article XXV" is found on the return or its attachments.
- (3) Article XXV(3) limits the Canadian resident taxpayer's U.S. liability with respect to his or her U.S. source employment income to an amount computed using the following formula: (Form 1040-NR Taxable Income/Form 1040 Taxable

Income) × Form 1040 Tentative Tax. The tentative tax reported on Form 1040 or statement is the total U.S. tax payable by the taxpayer and his or her spouse as if both were U.S. citizens and all of their income arose in the United States. An income deficit (or loss) of the spouse shall not be taken into account.

- (4) EC 265 generates on Form 1040-NR when the taxpayer uses this special tax calculation. See EC 265 at IRM 3.22.3.198.2.
- (5) Article XXV(3) does not provide a basis for Canadian residents who are not U.S. citizens to claim on their actual Form 1040-NR a standard deduction or any credits for which they would not be eligible under the Internal Revenue Code.

3.22.3.11.6
(08-03-2015)
Expatriation and Form 8854

- (1) Taxpayers that are subject to expatriation tax must attach Form 8854, *Initial and Annual Expatriation Statement*, to their regular filing of Form 1040 or Form 1040-NR, whichever is applicable, for the year of expatriation and in certain circumstances for subsequent years. Taxpayers may elect to defer all or a portion of the expatriation tax and may attach two hypothetical Form 1040 returns to Form 8854 to support their calculations. Taxpayers making this election must file Form 8854 annually up to and including the year in which the full amounts of deferred tax and interest are paid.
- (2) If Form 8854 is attached to a tax return, GTSEC 01 and enter Audit Code “K” in Field 01ACD. Continue to process the tax return with normal processing procedures.

Note: If a taxpayer indicates “Expatriation Return” on the tax return do not enter Audit Code K unless Form 8854 is attached.

Note: Process a Form 1040-NR as dual-status if the taxpayer identifies the return as a “Dual-Status Return” and attached a Form 8854.

3.22.3.11.7
(01-01-2020)
Community Property - General Information

- (1) Taxpayers that are subject to the community property laws of a foreign country, a United States state, or a United States territory, generally must follow those laws to determine the income of each taxpayer for United States tax purposes. However, they must disregard certain community property laws if:
 - a. Both taxpayers are nonresident aliens, or
 - b. One taxpayer is a nonresident alien and the other taxpayer is a United States citizen or resident and they do not choose to be treated as United States residents (as explained in Chapter 1 under Nonresident Spouse Treated as a Resident). In these cases, both taxpayers must report community income as explained below.
- (2) **Earned Income** of each taxpayer, other than trade or business income and a partner’s distributive share of partnership income, is treated as the income of the taxpayer whose services produced the income. That taxpayer must report all on a separate tax return.
- (3) **Trade or business income**, other than a partners’ distributive share of partnership income, is treated as the income of the person who exercises substantially all of the management and control over the trade or business. That taxpayer must report all on a separate return.

- (4) **Partnership income (or loss).** A partner's distributive share of partnership income is treated as the income (or loss) of the partner. The partner must report all of it on a separate tax return.
- (5) **Income derived from the separate property** of the taxpayer (and which is not earned income, trade or business income, or partnership distributive share income) is treated as the income of that taxpayer. That taxpayer must report all on a separate tax return. Use the appropriate community property law to determine what is separate property.
- (6) **All other community income** is treated as provided by the applicable community property laws.

Note: If a determination cannot be made, SSPND 370 for Examination review.

- (7) For additional information see EC 260 at IRM 3.22.3.198.5

3.22.3.11.8
(11-08-2021)
**Tax Treaties - General
Information**

- (1) The United States has income tax treaties (conventions) with many foreign countries. Under these treaties, residents of foreign countries are taxed at a reduced rate, or are exempt from United States income taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and with specific items of income. In certain limited circumstances, resident aliens may be entitled to treaty benefits.
- (2) Tax treaties may, under certain circumstances, permit foreign individuals who are residents of the treaty country to visit the United States, practice their profession and earn income (sometimes in limited amounts) for a limited period of time without having to pay United States tax.
- (3) Tax treaty tables are found in this IRM at Exhibit 3.22.3-1, *Tax Treaty Table 2, Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties*, and Exhibit 3.22.3-3, *Tax Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties*.
- (4) Refer to IRM 3.22.3.17.3, *Field 03TEX - Total Income Exempt by Treaty*, for instructions for validating treaty exemption claims on Form 1040-NR. Refer to IRM 3.22.3.17.23, *Field 03TNC Tax on Not Effectively Connected Income (NEC)*, for instructions for validating treaty tax rates.

3.22.3.11.8.1
(11-03-2022)
**Types of Visas - General
Information**

- (1) A visa is assigned to an individual by the United States Citizenship and Immigration Services. See Exhibit 3.22.3-7.
- (2) The method of taxation of a visa holder depends primarily upon whether the individual is classed as a resident or a nonresident.
 - a. If the visa-holder is determined to be a nonresident alien, they are generally taxed on all United States Source income and on all income that is effectively connected with the conduct of a trade or business in the United States, unless specifically excluded under a U.S. tax treaty provision.
 - b. Resident aliens are generally taxed the same as citizens.
- (3) The following are types and definitions of visas most frequently encountered in tax return processing:

VISA	Definition of VISA
A	Diplomat or foreign government official
F-1	International Student
H-1B	Temporary Professional Worker
H-1C	Temporary Registered Nurse
H-2A	Temporary Agriculture Worker
H-2B	Temporary worker whose skills are needed in the U.S.
H-3	Trainee or participant in a special education exchange program
I	Representative of foreign information media, and their dependents
J-1 Student	Student in the U.S. under Exchange Visitor Program
J-1 Scholar	Researcher/Professor under Exchange Visitor Program
J-1 Au Pair	Individuals in the U.S. under the auspices of the U.S. Information Agency and the Designated Program Sponsor
M-1	Student at vocational schools
Q-1, Q2	Participant in an international cultural exchange program
TC	Professional business worker admitted under United States - Canada Free Trade Act (CUSTA)
TD	NAFTA allows temporary entry to certain dependents of TN visa holders
TN	Professional business worker admitted under North American Free Trade Agreement (NAFTA)

Note: This is not an all-inclusive listing. There are other VISA types used to enter the United States.

3.22.3.11.8.2
(02-27-2017)
**Survivor Benefit
Annuities (SBAs) and
Survivor Benefit Plans
(SBPs)**

- (1) A member of the United States military reaching retirement age may elect to receive, during his/her lifetime, a reduced United States military pension in order that his/her surviving spouse may continue to draw a United States military pension after his/her death. After the death of the United States military retiree, the pension which is paid to the retiree's surviving spouse is called a **Survivor Benefit Annuity (SBA)** or a **Survivor Benefit Plan (SBP)**.

Note: The SBA or SBP income will be reported on a Form 1042-S with Income Code 15 from Office of Personnel Management. United States tax law holds that these benefits represent United States - sourced taxable income unless United States tax law is overridden by a tax treaty between the United States and the country in which the nonresident alien recipient is a resident.

- (2) SBAs/SBPs paid to **nonresident aliens** who reside in the following countries are not subject to U.S. tax under current treaties, provided they meet any requirements listed below or, if the country below is marked with an asterisk, they are a national of the country in which they reside:

List of Countries	List of Countries
Australia	Lithuania *
Austria	Luxembourg *
Bangladesh *	Malta*
Barbados	Mexico*
Belgium *	Morocco
Bulgaria *	Netherlands *
China *	New Zealand (must also be a citizen of New Zealand)
Cyprus	Norway
Czech Republic (decedent must have been resident of Czech Republic)	Pakistan
Denmark *	Portugal *
Egypt	Romania
Estonia *	Russia (must also be a citizen of Russia)
Finland *	Slovak Republic (decedent must have been a resident of Slovak Republic)
Germany *	Slovenia *
Hungary *	South Africa *
Iceland*	South Korea
India *	Spain *
Ireland *	Sri Lanka
Israel	Sweden (must also be a citizen of Sweden)
Italy *	Switzerland *
Jamaica* (decedent must have been a national of Jamaica at the time the services were rendered)	Thailand *
Japan *	Tunisia
Kazakhstan (must also be a citizen of Kazakhstan)	Turkey *
Latvia *	United Kingdom *(England, Northern Ireland, Scotland, and Wales) *
	Venezuela *

- (3) SBAs/SBPs paid to **residents and citizens** of the following countries are taxable in the United States at the following tax rates under current tax treaties (or in the absence of a treaty):

Country Name	Percentage
Canada	15 percent
All other countries	30 percent

3.22.3.12
(01-01-2024)
**Correspondence
Procedures**

- (1) Suspend international returns for first correspondence with **Action Code 215**. **All** missing *required* information must be requested when corresponding. Follow correspondence instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, when specific instructions are not provided in IRM 3.22.3.

Exception: When IRM 3.12.3 has instructions to suspend with Action Code 211, Action Code 213, Action Code 224, or Action Code 225, **always** use Action Code 215. DO NOT use Action Code 224 for ACA Correspondence or Action Code 213 for Health Coverage Tax Credit, or Action Code 225 for EC 157 on international returns.

- (2) For Second Correspondence use Action Code 216. See IRM 3.22.3.282, *Second Correspondence*.
- (3) The ERS Tax Examiner who identifies the need for correspondence on Form 1040-NR will prepare a Form 13900, *Correspondence Action Sheet International Returns* to select paragraphs in *Letter 4087C*. Fill-in paragraphs for Letter 4087C are in Exhibit 3.22.3-12. Form 13900 should be used in lieu of Form 6001 for Form 1040 when selected paragraphs are available. Prepare Form 13975, *Form 1040-SS (or Form 1040-SS (sp)) Correspondence Action Sheet - International Returns*, to select paragraphs in *Letter 2894C* for Form 1040-SS or *Letter 2894C/SP* for Form 1040-SS (sp). Fill-in paragraphs for Letters 2894C and 2894C/SP are in Exhibit 3.22.3-13.

Reminder: Examiners are reminded to select the box at the top of Form 13975 to indicate form type.

3.22.3.12.1
(01-02-2015)
Missing Signature

- (1) An original signature is required, below the jurat (perjury statement), on most returns. Without the taxpayer's signature, the return is not an official document and may not be processed. ERS examiners are required to inspect returns for missing original signatures. If a return is unsigned, SSPND 640 to send the return to Rejects. Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Signature Requirements*, for specific procedures regarding missing signatures.

Exception: If a signature is missing on a return filed using the Streamlined Filing Compliance Procedures, DO NOT send the return back to the taxpayer. Use *Letter 4087C* to ask for the taxpayer's signature.

Exception: Rev. Rul. 68-500 allows bulk filings of Form 1040-NR to include a facsimile (rubber stamp) signature signed for the taxpayer by an agent.

Accept the facsimile signature and process the returns that are signed for the taxpayer by an agent (Attorney-in-Fact).

3.22.3.13
(11-08-2021)

**Late Filed
Returns/Reasonable
Cause**

- (1) Enter "N" in Field 01CCC on Form 1040 when the tax return or attachments indicate that the taxpayer meets any of the conditions in (a) through (i) below. Taxpayers that meet these conditions qualify for a special extension. Form 1040-NR filers do not qualify. Don't edit CCC N on Form 1040-NR.

#

- b. The taxpayer is in the military or naval service on duty outside the United States and Puerto Rico
- c. APO/FPO address
- d. Taxpayer is qualified for an automatic two-month extension
- e. Form 2555 dates indicate still there or continuing, and/or 1040 address is foreign
- f. Form 2555 has an ending date later than the calendar year
- g. Taxpayer is abroad
- h. Taxpayer is overseas
- i. Return indicates Treasury Regulation 1.6081-5(a)

3.22.3.14
(01-27-2012)

Special Procedures

- (1) This subsection addresses special situations which may not be covered in any other section of this IRM.

3.22.3.14.1
(01-01-2017)

Refund Schemes

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for guidance on identifying possible refund schemes and frivolous and fraudulent returns.

3.22.3.14.2
(01-01-2023)

**Amount Reported in
Foreign Currency on
U.S. Individual Tax
Return**

- (1) All amounts on U.S. individual tax returns are to be reported in U.S. currency only. If amounts on the tax return are reported in foreign currency, and Code & Edit has not converted to U.S. dollars, then convert the amounts using the official rate in effect at the end of the tax year of the return as reported on the exchange rate chart published by the U.S. Treasury for the tax period of the filer's tax return (see <https://fiscaldata.treasury.gov/datasets/treasury-reporting-rates-exchange/treasury-reporting-rates-of-exchange>).
- (2) If a Taxpayer Notice Code (TPNC) is required to resolve an error on a return after foreign currency is converted to US dollars, also assign a TPNC 358.

3.22.3.14.3
(01-01-2023)

**Conversion of Form
1040-NR-EZ to Form
1040-NR**

- (1) In all instances, it is necessary to convert a Form 1040-NR-EZ to a Form 1040-NR to process the return.
- Note:** Instructions for conversion of Form 1040A and Form 1040EZ to Form 1040 are found in IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Conversion of Returns*
- (2) If a TPNC is required to resolve an error on Form 1040-NR-EZ after conversion to Form 1040-NR, assign **TPNC 311** as the first notice code to inform the taxpayer that the return has been converted.

3.22.3.14.4
(11-08-2021)
**Multiple Filers on the
Same Return Form
1040-NR**

- (1) Each taxpayer must complete a separate Form 1040-NR and include the income and withholding for self only, even if the taxpayer is married. If there are two names on the name line of the return see Field 01NL1 First Name Line at IRM 3.22.3.15.4 for instructions.
- (2) If the return includes wages or other income or withholding that doesn't belong to the taxpayer filing the return, then adjust the return to include only the taxpayer's income and withholding. Assign TPNC 334

3.22.3.15
(01-01-2015)
**Section 01 Data-Entity
and Miscellaneous
Information**

- (1) Section 01 contains entity data, fields for codes, received date, and miscellaneous information.

3.22.3.15.1
(01-01-2026)
**Error Record
Format-Section 01**

- (1) Section 01 contains the following fields

Note: The "Location on the Form" applies to Form 1040-NR, Form 1040-SS (sp), and Form 1040-SS unless specified otherwise:

Form 1040-NR	Form 1040-SS (sp)/Form 1040-SS	Field Title
01PNC	01PNC	Primary Name Control
01PS	01PS	Primary SSN
01SNC		Secondary Name Control
01SS		Secondary SSN
01NL1	01NL1	Name Line 1
01NL2	01NL2	Name Line 2
01ADD	01ADD	Street Address
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code
01TXP	01TXP	Tax Period
01COU	01COU	Country Code
01SPC	01SPC	Special Processing Code
01FSC	01FSC	Filing Status Code
01CCC	01CCC	Computer Condition Code
01EXC	01EXC	Exemption Code Field
01RCD	01RCD	Received Date
01FPC	01FPC	Forms Processing Codes
01RPC	01RPC	Returns Processing Code
01ACD	01ACD	Audit Code

Form 1040-NR	Form 1040-SS (sp)/Form 1040-SS	Field Title
01DAC	01DAC	Digital Assets Code

3.22.3.15.2
(01-01-2018)
**Correction Procedures
Section 01**

- (1) The following describes correction procedures for Section 01 that are unique to processing International returns. Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for general Section 01 correction procedures.
- (2) Correct coding and transcription errors and misplaced entries on displayed fields.

3.22.3.15.3
(06-16-2016)
Field 01PS - Primary TIN

- (1) **Return Filed Using Streamlined Filing Compliance Procedures with Missing Primary TIN (P-TIN)** - Don't correspond for a missing TIN on a Streamlined return. If the TIN is missing and not found after searching the return and after research, then suspend with Action Code 320 to Entity for assignment of an IRSN. When the return comes back from Entity with an IRSN follow the instructions in EC 005 at IRM 3.22.3.83.2 before entering RPC O.

3.22.3.15.4
(04-28-2022)
**Field 01NL1 First Name
Line - 35 Positions**

- (1) Form 1040-NR can have only one name in the caption on page 1. If two names are present, determine if two incomes are present or if withholding documentation (Form W-2, Form 1042-S, etc.) is included for both names and follow these instructions.

If	Then
All income and withholding belong to one taxpayer,	Delete the name of the taxpayer who has no income or withholding from Field 01NL1.
Both taxpayers report income or withholding,	SSPND 215 and select paragraph S on Form 13900 for separate Form 1040-NR
The box on page 1, Form 1040-NR is checked Estate or Trust and, the first name line has the name of other than an individual (such as an estate, etc.) and there is an EIN instead of a SSN	SSPND 640 to transship return to Kansas City Submission Processing Center (KCSPC).

Note: If the Form 1040-NR has only one name on the return, but income or withholding from multiple persons, then see *Special Procedures* at IRM 3.22.3.14.4.

3.22.3.15.5
(01-22-2024)
**Field 01NL2 Second
Name Line - 35
Positions**

- (1) The foreign country name, province, and foreign postal code are found on page 1 of the tax return.

Exception: For TY18, this information is found on Schedule 6, Form 1040.

- (2) Foreign Address - Field 01NL2 **may** be used when the entity is a foreign address. Field 01NL2 is limited to 35 characters.

Caution: Do not use Field 01NL2 for address information if the address will fit completely in Field 01ADD.

Exception: See IRM 3.22.3.114 EC 051.

Note: Field 01NL2 can include other mailing address information if it allows the complete address to be entered. Some mailing address information (states, provinces and territories) **must be abbreviated**. See Exhibit 3.22.3-6 and IMF Foreign Address Job Aid 2513-703.

- (3) If a domestic and foreign address are both present in the entity area of the return then enter the domestic address.
- (4) For TY18 only, if the address on page 1 of Form 1040 is for a foreign country, and no domestic address is present, enter the foreign address in Section 01. Don't correspond for Schedule 6.
- (5) For Puerto Rico only, the following are different types of address formats:
- Four-line address containing Name, Urbanization, House Number and Street Name, City, State and Zip Code.
 - Three-line address containing Name, House Number and Street Name, City, State and Zip Code.

Exception: Some areas in Puerto Rico do not have street names or repetitive house numbers. The urbanization name substitutes as the street name and becomes the primary identifier.

Example: Name, House Number and Urbanization Name, City, State and Zip Code.

- Public Housing Projects (residenciales) without street names or repetitive apartment numbers. In these cases, the apartment number is the primary number and the public housing project becomes the street name.

Example: Name, Apartment Number and Residential Name, City, State and Zip Code.

- Apartment Buildings and Condominiums with a physical (street) address containing Name, Building Name, Street Number Apartment Number, City, State and Zip Code.
- Buildings without a physical address. Certain Condominiums are located on an unnamed street and may not have an assigned number. The name of the Condominium substitutes as the street name and the number 1 is used when no building number exists.
- Numbered streets must always contain a street prefix.
- House numbers - always place the house number before the street prefix. When the house number is an alpha numeric, do not use a hyphen to separate the letter from the number. See table below.

Incorrect Form	Correct Form
Calle 12 C-19	C19 Calle 12
A-17 Calle Ampapola	A17 Calle Ampapola
B-40 Calle 1	B40 Calle1

- h. Post Office Box - **always** use PO Box to identify Post Office Boxes. Do not use the Spanish words.
- i. **Do not** substitute the prefix Calle with the suffix street. Such substitutes render the address **Undeliverable**.
- j. Urbanization -- denotes an area, sector or residential development within a geographic area. Commonly used in Puerto Rico urban areas, it is an important part of the addressing format, as it describes the location of a specific street. In Puerto Rico, identical street names and address number ranges can be found within the same Zip Code. In these cases, the urbanization name is the only element that correctly identifies the location of a particular address. Generally, the abbreviation **URB** is placed before the urbanization name.
- k. Below is a table of examples of correct address formatting. The first line in the correct format column represents the entry for Field 01NL2. The second line represents the entry that goes into Field 01ADD:

Tax Return Address	Correct Format
Estancias Detortuger, 521 Calle Tulpia	Estancias Detortuger 521 Calle Tulpia
Bo Rocha Comunidad LaSalle HC 02 Box 12811	Bo Rocha Comunidad LaSalle HC 02 Box 12811
Puerto Nuevo 512 Calle Aragon	Puerto Nuevo 512 Calle Aragon
Cond. Hato Rey Plaza Jesus T Pinero #200 Apt 6-M	Cond. Hato Rey Plaza Jesus T Pinero #200 Apt 6-M
URB Ciudad Jardin de Bairoa 88 Calle Franca	URB Ciudad Jardin de Bairoa 88 Calle Franca

- (6) When Field 01NL2 is required (deceased taxpayer, Power of Attorney (POA), minor, etc.) **and** a foreign address is present, follow the instructions at EC 260 to issue a manual refund. See IRM 3.22.3.193.6.

Caution: If any of the conditions exist in paragraph 2 of IRM 3.22.3.193.6 **do not issue a manual refund**.

3.22.3.15.6
(01-01-2020)

**Field 01ADD Street
Address 35 Positions**

- (1) A foreign address is any address outside of the 50 states of the United States and the District of Columbia.
- (2) The foreign country name, province, and foreign postal code are found on page 1 of the tax return.

Exception: For TY18, this information is found on Schedule 6, Form 1040.

- (3) A U.S. territory address must be entered using the same format as a domestic address as described in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*. See IRM 3.22.3.15.5 for additional instructions for addresses in Puerto Rico.
- (4) If a domestic and foreign address are both present in the entity area of the return then enter the domestic address.
- (5) For TY18 only, if the address on page 1 of Form 1040 is for a foreign country, and no domestic address is present, enter the foreign address in Section 01. Don't correspond for Schedule 6.
- (6) For an address in a foreign country Field 01ADD should contain the city, state, territory or province, and postal code, if present. Field 01NL2 may be used to allow for a more complete address (see Field 01NL2, IRM 3.22.3.15.5, for exceptions). When shortening the foreign address to fit the limitations of Field 01NL2 and Field 01ADD:
 - Do not remove a postal code.
 - If a postal code is present and the address can't be shortened, delete the address information according to major (e.g., province) to minor (e.g., city, town) subdivisions of the address.

Note: Some countries prefer that the postal code follow and others prefer it precede the city or town name. Follow the order as edited on the return.

- (7) The following states, provinces and territories for the countries listed below **must be abbreviated**. See Exhibit 3.22.3-6 to enter the abbreviation:
 - a. Australia
 - b. Brazil
 - c. Canada
 - d. Cuba
 - e. Italy
 - f. Mexico
 - g. Netherlands

Note: Refer to the IMF Foreign Address Job Aid 2513-703 for additional abbreviations.

3.22.3.15.7
(01-01-2020)
**Field 01C/S City/State -
24 Characters**

- (1) The foreign country name, province, and foreign postal code are found on page 1 of the tax return.

Exception: For TY18, this information is found on Schedule 6, Form 1040.
- (2) A foreign country name entered in Field 01C/S must be in the required format. Twenty-four (24) characters may be entered in this field, which includes the slashes (/) and period. The required space in position 25 is not visible on the ERS screen.
- (3) If a domestic and foreign address are both present in the entity area of the return then enter the domestic address.
- (4) For TY18 only, if the address on page 1 of Form 1040 is for a foreign country, and no domestic address is present, enter the foreign address in Section 01. Don't correspond for Schedule 6.

- (5) For foreign addresses, this field should contain **ONLY the country** in the correct format:

If	Then
Correction is needed on a foreign address,	Enter a slash (/), the country's name, followed by a slash (/) and a period (.). (i.e., /CHINA/.). Note: The name of all countries must be spelled out, see Exhibit 3.22.3-4, unless it is listed in (3) below.
A foreign mail routing code is entered after the country,	Enter the routing code after the state or province in Field 01ADD. Reminder: Leave Field 01ZIP blank. Do not enter the mail routing code in Field 01ZIP.

Note: Refer to Foreign Address Job Aid for additional information to enter a foreign address.

- (6) The following are examples of country names that too are long and the abbreviation below must always be used.

Note: This list is **NOT** all inclusive. Document 7475 shows the complete list of acceptable abbreviations.

Country	Abbreviation
Ashmore and Cartier Islands	/Ashmore and Cartier/.
Bosnia and Herzegovina	/Bosnia Herzegovina/.
British Indian Ocean Territory	/British Indian Oc Terr/.
British Virgin Islands	/British V I/.
Central African Republic	/Central African Rep/.
French Southern Antarctic Lands	/Fr Southern Antarctic/.
Heard Island and McDonald Islands	/Heard Is McDonald Is/.
Macedonia, the Former Yugoslav Republic of	/Macedonia/.
Saint Pierre and Miquelon	/St Pierre Miquelon/.
Saint Vincent and the Grenadines	/St Vincent Grenadines/.
Serbia and Montenegro	/Serbia Montenegro/.

Country	Abbreviation
South Georgia and the South Sandwich Islands	/S Georgia S Sandwich/.
Turks and Caicos Islands	/Turks and Caicos Is/.

- (7) **For United States territory addresses:** The following are valid state abbreviations for U.S. territories:

- a. AS - American Samoa
- b. MP - Commonwealth of Northern Mariana Islands
- c. GU - Guam
- d. PR - Puerto Rico
- e. VI - United States Virgin Islands

Note: Although Micronesia, the Marshall Islands, and Palau are not U.S. territories, they are listed in 3.22.3-5 because they use the same addressing methods as U.S. territories.

3.22.3.15.8
(01-01-2020)

Field 01ZIP Zip Code- 5 Positions

- (1) The foreign country name, province, and foreign postal code are found on page 1 of the tax return.

Exception: For TY18, this information is found on Schedule 6, Form 1040.

- (2) For FLC 20 with a foreign address:

- a. This field **must be blank**
- b. If a foreign mail routing code is entered after the country or in Field 01ZIP, GTSEC 01 and enter the mail routing after the state or province in Field 01ADD. Delete mail routing code from Field 01ZIP.

- (3) All U.S. territory addresses must contain a valid zip code. See Exhibit 3.22.3-5

3.22.3.15.9
(01-01-2025)

Field 01TXP Tax Period - 6 Positions

- (1) Valid tax period endings are as follows:

- a. Form 1040-NR, Form 1040-SS (sp) and Form 1040-SS - Current year tax period is not less than 202112 or more than current year and month.
- b. Form 1040-NR, Form 1040-SS (sp) and Form 1040-SS - Prior year tax period is 196212 through 202111.

- (2) Residents of Australia and New Zealand often use a June (06) fiscal tax period ending date that coincides with their country's accounting period. Follow taxpayer intent and enter YYYY06 for the tax period when June 30th is indicated as the tax period ending date on the tax return for a resident of Australia or New Zealand.

- (3) **Correction Procedures** -Verify the tax period on the return or attachments and correct any transcription errors. If the tax period is invalid, correct as follows:

Exception: Any future tax period later than the current processing year and month, refer to ERS Lead Tax Examiner for manual process. For early-filed decedents, refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 260*.

The tax period is	Form is	Then
202412 (current)	Form 1040-NR	Blank Field 01TXP (computer will generate 202412)
For fiscal or short year tax period	Form 1040-NR	Process as calendar year unless otherwise indicated
For a future tax period later than the current processing year and month	Form 1040-NR	Refer to ERS Lead Tax Examiner
202412 (current)	Form 1040-SS (sp) or Form 1040-SS	Blank Field 01TXP (computer will generate 202412)
For fiscal or short year tax period	Form 1040-SS (sp) or Form 1040-SS	Process as calendar year unless otherwise indicated
For a future tax period later than the current processing year and month	Form 1040-SS (sp) or Form 1040-SS	Refer to Lead Tax Examiner

3.22.3.15.10
(11-08-2021)

Field 01COU Country Code - 2 Positions

- (1) The Country Code Field is a two-position field which is designed to identify treaty countries whose residents are entitled to refunds of U.S. withholding on U.S. sourced income. The Country Code will assist in identifying erroneous claims for refunds of Social Security (Form SSA-1042-S) withholding. See Exhibit 3.22.3-4 for a listing of Country Codes.
- (2) Code & Edit edits the Country Code to the right of the Entity Section of Form 1040-NR. Determine the country of permanent residence using the information on the tax return in this order:
 - a. Line B, Schedule OI
 - b. Line A, Schedule OI
 - c. Address from the Entity section of Form 1040-NR
 - d. Review of any attachments

If	Then
The country entered on line B is "US",	Enter "XX" in Field 01COU.
The taxpayer indicates "Same" on line B and A,	Determine the Country Code by using the address information in the Entity section.
The country in which the taxpayer was a permanent resident can't be determined and the taxpayer uses a United States address in the entity section of Form 1040-NR,	Enter "XX" in Field 01COU.
The country in which the taxpayer was a resident isn't listed in Exhibit 3.22.3-4	Enter "XX" in Field 01COU.

3.22.3.15.11
(01-01-2026)
**Field 01SPC Special
Processing Code**

- (1) A special processing code (SPC) is an alphabetic or numeric character entered by a Code & Edit examiner to alert the computer to a special condition or computation. The number of SPCs in a return may not exceed ten. These codes are used for campus processing and do not post to the Master File. This field was created as an overflow for return processing codes.
- (2) The list of Special Processing Codes is in IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Exhibit 3.12.2-4, Special Processing Code*.
 - The valid SPC for Form 1040-NR are A, B, C, E, F, G, J, M, N, P, T, U, V, X, 2, 3, 6, and 9.
Note: SPC U is generated by Modernized E-File (MeF) on Form 1040-NR. See instructions in EC 215 at IRM 3.22.3.165.2
 - The valid SPC for Form 1040-SS (sp) and Form 1040-SS are B, J, M, T, V, 2, 3, and 9.

3.22.3.15.12
(01-01-2026)
**Field 01FSC Filing
Status Code - 1 Position**

- (1) An entry in Field 01FSC is invalid if the Filing Status Code is other than:
 - Form 1040-NR all tax years: 1, 3, 5
 - Form 1040-NR TY17 and prior year only: 1, 3, 5, 6
- (2) Form 1040-NR:

If	And	Then
Single box is checked	TY20 and later	Code & Edit will edit FSC "1"
Married box is checked	TY20 and later	Code & Edit will edit FSC "3"
Qualifying Surviving Spouse box is checked	TY20 and later, Date of death is within 2 years prior to the tax period of the return and the taxpayer is a U.S. National, or resident of Canada, Mexico or South Korea, or student or business apprentice from India eligible for the benefits of Article 21(2) of the United States-India Income Tax Treaty,	Code & Edit will edit FSC "5"
Qualifying Surviving Spouse box is checked	TY20 and later, the taxpayer is not a U.S. National, or resident of Canada, Mexico or South Korea, or student or business apprentice from India eligible for the benefits of Article 21(2) of the United States-India Income Tax Treaty,	Code & Edit will edit FSC "1"
Qualifying Surviving Spouse box is checked	TY20 and later, Date of death is not within 2 years prior to the tax period of the return, (For TY23, spouse's date of death is not 2021 or 2022)	Code & Edit will edit FSC "1"
Box 1 (TY17 and prior year only) is checked	TY17 and prior year return, Note: Box 1 is reserved in TY19/TY18.	Code & Edit will edit FSC "1"
Box 2 is checked	TY19 and prior	Code & Edit will edit FSC "1"

If	And	Then
Box 3 or 4 (TY17 and prior year only) is checked	<ul style="list-style-type: none"> TY17 and prior year return, and Spouse's exemption is not claimed, <p>Note: Box 3 and 4 are reserved in TY19/TY18.</p>	Code & Edit will edit FSC "3"
Box 3 or 4 (TY17 and prior year only) is checked	<ul style="list-style-type: none"> TY17 and prior year return, and Spouse's exemption is claimed, <p>Note: If both taxpayers have income, SSPND 215 and select paragraph S on Form 13900 for separate income tax returns.</p>	Code & Edit will edit FSC "6" Note: FSC 6 is valid only on TY17 and prior year returns.
Box 5 is checked	TY19 and prior	Code & Edit will edit FSC "3"
Box 6 is checked	TY19 and prior, Date of death is within 2 years prior to the tax period of the return and the taxpayer is a U.S. National, or resident of Canada, Mexico or South Korea, or student or business apprentice from India eligible for the benefits of Article 21(2) of the United States-India Income Tax Treaty,	Code & Edit will edit FSC "5".
Box 6 is checked	TY19 and prior, the taxpayer is not a U.S. National, or resident of Canada, Mexico or South Korea, or student or business apprentice from India eligible for the benefits of Article 21(2) of the United States-India Income Tax Treaty,	Code & Edit will edit FSC "1".

If	And	Then
Box 6 is checked	TY19 and prior, Date of death is not within 2 years prior to the tax period of the return, and maybe add (For TY17, spouse's date of death is not 2015 or 2016),	Code & Edit will edit FSC "1".
No box is checked		Code & Edit will edit FSC "1".

- (3) **Filing Status Code for Dual-Status** - Filing Status (FS) can be 1, 3, or 5; and FS 6 in TY17 and prior year.

Reminder: A dual-status taxpayer cannot claim Head of Household or Married Filing Jointly on dual-status Form 1040 or Form 1040-NR.

Note: The taxpayer can elect to file a Married Filing Jointly (FSC 2) return and report worldwide income under IRC 6013(g) and IRC 6013(h). To qualify under IRC 6013(g), IRC 6013(h) one taxpayer must be a resident alien or U.S. citizen. See instructions in EC 256 at IRM 3.22.3.190.2.3.1 to determine filing status corrections on dual-status returns.

3.22.3.15.13
(01-01-2024)

Field 01CCC Computer Condition Code (CCC) - 10 Positions

- (1) The Computer Condition Code (CCC) is transcribed in Field 01CCC from the following area on the return:

- Form 1040-NR - upper portion of the filing status
- Form 1040-SS (sp) and Form 1040-SS - upper portion of Part I, Self-Employment Tax

Note: Some CCC are generated by the computer on the error record to indicate a special condition or computation and will post to the Master File

- (2) An entry in Field 01CCC is invalid if the Computer Condition Code is other than the following:
- Form 1040-NR - 1, 2, 3, 4, 7, 8, B, C, E, F, G, H, J, L, M, N, O, P, R, U, V, W, X, Y, or Z.
 - Form 1040-SS (sp) or Form 1040-SS - 1, 3, 4, 7, 9, A, B, E, F, G, H, L, M, N, O, P, Q, R, U, V, W, X, Y, or Z.
- (3) **Correction Procedures-** Determine and enter the correct code, if needed.
- A CCC "3" must be in the first position.
 - CCC "5" or "6" must always be preceded by CCC "G".
 - SSPND 610, for renumbering, when a Form 1040-X has CCC "5" or "6" preceded by CCC "G" and is not in blocking series 990-999 or vice versa.
- (4) The list below describes Computer Condition Codes commonly used on international returns. For a complete list of Computer Condition Codes see IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Exhibit 3.12.2-2, Computer Condition Codes*.

Code	Explanation
1	Edited by RICS RIVO to freeze overpayment of account at Master File
3	Freezes release of overpayment of account at Master File.
C	Form 1040-NR with Form 8833 (Treaty-Based Return Disclosure Under IRC 6114 or IRC7701(b))
E	Delete filing requirements for taxpayers who are not deceased
J	NRA spouse
H	Lump Sum Election is present
M	Reasonable cause for failure to pay tax by due date.
N	Taxpayer qualifies for a 2-month extension from due date for filing return (Form 1040 only)
P	Reasonable cause for underpayment of estimated tax.
R	Reasonable cause for delinquent filing.
U	Indicates no reply to correspondence and prevents generation of credit interest.
Y	Causes return to generate EC 260 for ERS review (see IRM 3.22.3.193)

3.22.3.15.14
(01-01-2024)
**Field 01RCD Received
Date - 8 Positions**

- (1) If an international Form 1040, Form 1040-NR, Form 1040-SS, or Form 1040-SS (sp) is transshipped to AUSPC from another IRS Campus, Territory Office, or IRS foreign post, take the following action:

If	Then
Code & Edit has not circled out the original IRS received date,	Circle out the original received date and leave the AUSPC received date.
There is no Austin Submission Processing Center (AUSPC) received date,	Enter the received date using the Julian Date from the DLN minus 10 days.

- (2) Refer to IRM 3.12.2, *Individual Master File Resolution General Instructions, Field 01RCD, Received Date*, for additional procedures on determining received dates.
- (3) If a received date is needed but not stamped or written on the return, and there's no indication that the return was transshipped as described above, then determine the received dates by following the priorities in IRM 3.12.2.4.3.20 paragraph (9).

- (4) **ALWAYS** review each return for the words “**Sent Back for Signature**” or **similar statement** and a date present in the lower left-hand corner of the return. These are returns that were originally received missing a signature and were mailed back to the taxpayer from Receipt and Control. If a date and the notation, “**Sent Back for Signature**” is present, follow the instructions below for determining the received date:
- If the return is **Balance Due** and a received date is present showing a date within 45 days of the “Returned for signature date stamp”, honor the date the return was sent back for signature. Delete any later received date(s) that may be present
 - If the return is **Balance Due** and a received date is present showing a date MORE than 45 days after the “Returned for signature date stamp”, honor the latest received date. Delete any earlier received date(s) that may be present.
 - If the return is a **Refund, Credit Elect or Zero balance return**, honor the latest received date. Delete any earlier received date(s) that may be present.

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3.22.3.15.15
(01-01-2024)
**Field 01EXC Exemption
Codes**

- (1) The exemption amount that can be claimed on an individual’s Form 1040-NR in TY 201812 and later is \$0. Exemption coding (Field 01EXC and Field 94EXV) is retained for determining family size in certain calculations.

Note: TY18 and later, an exemption that is allowed based on country of residence is also an allowable dependent.

- (2) For TY18 and later Form 1040-NR, the exemption line 13b (TY19, line 39) is only to allow for exemptions when the form is filed by an Estate or Trust. These returns are processed at the Kansas City Submission Processing Center.
- (3) **Form 1040-NR** - Dependents (TY18 and later) and Exemptions (TY17 and prior) are limited by country of residence. The country of residence is determined by using taxpayer information on Schedule OI of Form 1040-NR or on other attachments.
- Residents of **South Korea** can claim an exemption for self, spouse or children, however the children must live with the parents in the United States.
 - Residents of **Canada, Mexico and United States National** may claim exemptions for self, spouse, and/or other dependents.
 - Residents of India** who are students or business apprentices may claim exemptions for self, spouse and/or dependents on the same basis as United States citizens.
 - All others** are allowed **only one** exemption for self only. Delete the name control and TIN if present for all others than the primary taxpayer.
- (4) **Form 1040** use exemption positioning as if the taxpayer lived in the United States. For example, if the taxpayer lists children who lived with them, enter that number of exemptions in position 3 regardless of the address on the return.
- (5) **Form 1040-SS (sp)/Form 1040-SS** the computer will generate Field 01EXC based on filing status.

Caution: Do not edit Field 01EXC on Form 1040-SS (sp)/Form 1040-SS.

3.22.3.15.16
(01-01-2026)

Field 01FPC Form

**Processing Code (FPC) -
10 Positions**

- (1) Form Processing Codes (FPC) are edited to the right of line 7a on page 1 of Form 1040-NR, and to the right of line 7 on page 1 of Form 1040-SS.
- (2) An entry in Filed 01FPC is invalid if the Form Processing Code is other than what is listed below for each form type:
 - a. Form 1040-NR (Doc Code 72/73) and FPC is other than D, E, F, G, H, J, L, P, R, S W, X, 5, 8, or 9.
 - b. Form 1040-SS and FPC is other than G, Q, 8, or 9.

Note: If there is an FPC A on Form 1040-SS remove the A and continue processing.

- (3) **Correction Procedures-** Take the following actions to correct Field 01FPC:
 1. Check for coding and transcription errors and correct, if needed.
 2. Determine and enter the correct code.
 3. Blank the field when the FPC written on the return is illegible and/or you cannot determine the correct FPC from the explanations in (4) below.
- (4) Form Processing Codes - The number of Form Processing Codes may not exceed ten. The codes and their meanings are listed below:

Code	Explanation
A	Form 8332 or Form 2120 attached
D	Form 4684 attached and Schedule A Line 15 significant
E	Form 8582 or Form 8582-CR is attached (Mef Only)
F	Form 1062 is attached or "1062I" is on line 17z, Schedule 2 or "1062NL" is on line 13z, Schedule 3.
G	Form 8938 attached
H	Form 8995-A Schedule A, Schedule B, Schedule C or Schedule D attached to the tax return.
J	Form 8886 attached
L	Form 8824 attached
P	Form 2106 attached
Q	Form 8939 attached
R	Any of the following: Form 8990, Form 8992, Form 8994 attached

Code	Explanation
S	Schedule SE attached
W	Form 5471 OR 5471 Schedule G-1, OR another schedule supporting Form 5471 is attached to the return.
X	Form 8865 attached
5	Form 6251 attached
8	Form 14039 attached
9	Taxpayer attached a Spanish language version of the Identify Theft Affidavit (Form 14039SP) to any type of form within the 1040 family, and therefore a Spanish version of the CP01S notice will be issued.

3.22.3.15.17
(01-01-2026)

**Field 01RPC Return
Processing Code (RPC) -
8 Positions**

- (1) Return Processing Codes (RPC) are edited as follows:
 - Form 1040-NR - horizontally in the bottom left margin of page 1
 - Form 1040-SS - near the right of line 5
- (2) An entry in Field 01RPC is invalid if the Return Processing Code is other than:
 - a. **Form 1040-NR** (Doc. Code 72/73) and RPC is other than A, B, C, D, F, G, H, I, J, K, L, N, O, Q, R, S, T, U, V, X, Y, Z, 1, 2, 3, 4, 6, or 7
 - b. **Form 1040-SS** (Doc. Code 26/27) - RPC other than E, K, L, O, Q, R, V, Y, or 6.
- (3) **Correction Procedures-** Take the following actions to correct Field 01RPC:
 1. Check for coding and transcription errors and correct, if needed.
 2. Determine and enter the correct code.
 3. Blank the field when the RPC written on the return is illegible and/or you cannot determine the correct RPC from the explanations in (4) below.
- (4) Return Processing Codes - The number of Return Processing Codes may not exceed ten. The codes and their meanings are listed below:

Code	Explanation
F	Taxpayer has included IRC 965 claims or payments on the return.
G	Forces computer to bypass Error Code 118 Check.
H	Other Contributions equal to or greater than \$500 are present on Schedule A, and Form 8283 or equivalent statement is attached.

Code	Explanation
I	Taxpayer enters "Died" in the SSN area for a dependent or EIC child and a supporting birth certificate (or death certificate with a date of birth) is present.
J	Total Tax exceeds 50 percent of Adjusted Gross Income.
K	Indicates the return has been cleared by Statute Control. Valid on prior year returns only.
M	Unemployment box is checked on Form 8962. (valid for TY 21 only)
R	Authenticated by Electronic Filing PIN (EFP). MeF ONLY - DO NOT ENTER OR DELETE.
S	Taxpayer is exempt from paying self-employment tax.
U	Form 8949 attached with code "Y" or "Z" in column (f)
X	Reserved
1	Edited on dual-status Tax Returns
6	1/2 SE Deduction bypass (1/2 SE Deduction is not valid for TY97 and prior). Also valid for TY08 and later
8	E-file Form 1040 Additional Child Tax Credit with Puerto Rico Address

3.22.3.15.18
(04-28-2022)

ERS Action Code - 3 Positions

- (1) **ALWAYS SSPND with Action Code 215 for first correspondence with taxpayers in FLC 20 or 21.**
- (2) The ERS Action Code indicates that specific information is missing, or the return is being suspended, or removed from processing. Error Resolution System (ERS) Action Codes will have sufficient detail to indicate if correspondence, in-house research, or other action(s) are required. For a complete listing of ERS Action Codes refer to the exhibit in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*.
- (3) Code & Edit Tax Examiners assign Action Codes to numbered returns that are unprocessable, require research, correspondence, etc. The code is entered on the lower center margin of the return.
- (4) Correspondence Action Sheets (Form 3696-A, Form 6001, Form 13900, or Form 13975) used for initiating correspondence are attached by Code & Edit. For routing within the service center (In-House Research), codes and literals for each Action Code will generally be sufficient with no further explanation.
- (5) The Action Code assigned by Code & Edit is transcribed and kept as part of the Form 1040/Form 1040-NR record. It will always display as a Priority 1 error.
- (6) The presence of a valid Action Code except for Action Code 001, places the record in the suspense inventory, either Workable or Unworkable.

- (7) If the Action Code assigned by Code & Edit is invalid or incomplete, the "000" is used as a clear code to delete invalid or erroneous Action Codes when there is no reason to suspend the record.
- (8) Only one Action Code can be assigned at one time to a record.
- (9) Use Command Code SSPND, RJECT or NWDLN to enter an Action Code on the record, correct an invalid code, resuspend, or delete a record from ERS.
 - a. Entering a valid Action Code with SSPND Command Code clears the record from the screen and places it in either Workable or Unworkable Suspense.
 - b. An ERS Tax Examiner entering a valid Action Code with the RJECT Command Code deletes the record from ERS. Generally, the Service Center Control File (SCCF) is automatically updated for the deleted records. Only Action Codes 620, 630, 640, 650, 660, and 670 are valid with Command Code RJECT.
 - c. Entering an Action Code with the NWDLN Command Code deletes the record from ERS and establishes a new DLN for reinput.

3.22.3.15.19
(01-01-2026)
**Field 01ACD Audit
Codes - 10 Positions**

- (1) This is edited by Code & Edit in the bottom right margin of Page 1.
 - a. The valid Audit Codes for Form 1040-NR (Doc. Code 72 and 73) are 2, 3, B, C, E, H, J, K, L, N, P, Q, R, S, U, V, W, X, and Z.
 - b. The valid Audit Codes for Form 1040-SS (Doc. Code 26 and 27) are 2, 3, B, H, J, K, L, U, X, and Z.
- (2) **Invalid Conditions** - are as follows:
 - a. For Form 1040-NR(Doc. Code 72/73) and the Audit Code is other than 2, 3, B, C, H, J, K, L, N, P, Q, S, U, V, W, X, or Z.
 - b. For Form 1040-SS (sp)/Form 1040-SS (Doc. Code 26/27) and the Audit Code is other than 2, 3, B, H, K, L, U, X, or Z.
- (3) **Correction Procedures** - Compare the field on the screen with the entry on the return. If edited or transcribed incorrectly, correct the screen display and the code entered in the lower right margin of page 1 of the return. If the code is illegible, use the following list to determine the correct Audit Code:

Code	Explanation
2	Form 8862 attached with Child Tax Credit/ACTC/ODC portion completed.
3	Form 8862 attached with American Opportunity Credit portion completed.
H	<ul style="list-style-type: none"> • Form 8891 is attached • Form 926 is attached • Form 3520, Form 3520-A is attached • Form 5471 or Form 5472 attached • Schedule B, line 8 box marked "yes".
J	Special Use.

Code	Explanation
K	<ul style="list-style-type: none"> Preparer identified by Compliance Division Criminal Investigation Staff Refund Scheme Return/Refund Disclosure Statement, Refund Scheme, Preparer Identified is attached Form 1040-NR with Form 8854 attached
L	<ul style="list-style-type: none"> Joint committee case IRC 6501(d), request for prompt audit or assessment.
N	Form 1040-NR filer occupation is entertainer or professional athlete.
U	Form 8862 attached with EIC portion completed
X	Return file contains an ITIN for the primary and/or secondary taxpayer. This code is entered by Examiners in ITIN. It is not for use by examiners in ERS.
Z	Form 8919 Uncollected Social Security and Medicare Tax on Wages is filed with the return and is incomplete.

Note: Audit Code “D” is NOT valid for Form 1040-NR. Collections has agreed to discontinue editing Audit Code “D” on these returns until further notice. Delete Audit Code “D”

if edited/entered on a Form 1040-NR.

- (4) If the correct audit code cannot be determined delete the audit code from the screen.

3.22.3.16
(01-01-2026)
**Section 02 - ERS
Validation**

- (1) Section 02 contains fields used for ERS validation.

3.22.3.16.1
(01-01-2026)
**Error Record
Format-Section 02**

- (1) Section 02 –contains the following Fields:

Form 1040-NR	Form 1040-SS	Field Title
02RI	02RI	Revalidation Indicator
02DTR	02DTR	Dependent TIN Requirement
02MT4	02MT4	More Than 4 Dependents Indicator
02DN1	02DN1	Dependent Name Control-1
02DS1	02DS1	Dependent SSN-1
02RC1	02RC1	Dependent 1 Relationship Code
02US1		Dependent 1 Residency Code

Form 1040-NR	Form 1040-SS	Field Title
02CT1	02CT1	Child Tax and Other Dependent Credit Indicator-1
02DN2	02DN2	Dependent Name Control-2
02DS2	02DS2	Dependent SSN-2
02RC2	02RC2	Dependent 2 Relationship Code
02US2		Dependent 2 Residency Code
02CT2	02CT2	Child Tax and Other Dependent Credit Indicator-2
02DN3	02DN3	Dependent Name Control-3
02DS3	02DS3	Dependent SSN-3
02RC3	02RC3	Dependent 3 Relationship Code
02US3		Dependent 3 Residency Code
02CT3	02CT3	Child Tax and Other Dependent Credit Indicator-3
02DN4	02DN4	Dependent Name Control-4
02DS4	02DS4	Dependent SSN-4
02RC4	02RC4	Dependent 4 Relationship Code
02US4		Dependent 4 Residency Code
02CT4	02CT4	Child Tax and Other Dependent Credit Indicator-4
0211	0211	ID Number Penalty
02ARC	02ARC	ACA Resolution Code (ERS Input Only)

3.22.3.17
(01-01-2020)
**Section 03 - Simplified
Tax Return**

- (1) For Section 03 refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 03*, for field descriptions, invalid conditions and correction procedures unless otherwise specified.

3.22.3.17.1
(01-01-2026)
**Error Record
Format-Section 03**

- (1) Section 03 contains the following Fields:

Form 1040-NR	Form 1040-SS	Field Title
03WG		W-2 Wages
03TEX		Total Income Exempt by Treaty
03TWG		Total Wages

Form 1040-NR	Form 1040-SS	Field Title
03TEI		Tax Exempt Interest
03INT		Taxable Interest
03QD		Qualified Dividends
03DIV		Ordinary Dividends
03GIR		Gross Individual Retirement Account (IRA) Distributions
03TIR		Taxable IRA Distributions
03GPA		Gross Pensions and Annuities
03TPA		Taxable Pensions and Annuities
03CGL		Schedule D Profit/Loss
03ADD		Additional Income
03TOT		Total Income
03TAJ		Total Adjustments
03AGI		Adjusted Gross Income
03QBI		Qualified Business Income Deduction
03INC		Taxable Income
03TTX		Tentative Tax
03AF		Additional Forms 8814 attached (ERS only)
03AT		Additional Forms 8814 Tax (ERS only)
03COD		Child Tax and Other Dependent Credit Amount
03NRC		Total Statutory Credits
03TNC		Tax on Income Not Effectively Connected
03OTX	03OTX	Total Other Taxes
03GTT		Gross Transportation Tax
03TAX	03TAX	Total Tax
03WH		Withholding-Form(s) W-2 or 1099
0325E		Withholding-Form(s) 8805
0325F		Withholding-Form(s) 8288-A
0325G		Withholding-Form(s) 1042-S
03ESP	03ESP	Estimated Tax Payments
03OEI		Additional Child Tax Credit Amount Opt Out Election Indicator

Form 1040-NR	Form 1040-SS	Field Title
03ACT	03ACT	Additional Child Tax Credit
0329		Form 1040C
03RAC		Refundable Adoption Credit
03RCR		Refundable Credits
03PAY	03PAY	Total Payments
03BDR	03BDR	Balance Due/Refund
03CEL	03CEL	Estimated Tax Credit Elect
03ETP		Pre-Determined Estimated Tax Penalty
03AI	03AI	Third Party Authorization Indicator
03TPN	03TPN	Third Party Designee Name
03TPI	03TPI	Third Party Designee ID Number
03EMW	03EMW	E-File Mandate Waiver Indicator
03PT	03PT	Preparer TIN
03PE	03PE	Preparer EIN
03PC	03PC	Preparer Code
03PTN	03PTN	Preparer Telephone Number

3.22.3.17.2
(01-01-2023)

Fields 03WG - W-2 Wages

- (1) W-2 Wages is transcribed in Field 03WG from the following lines:
 - TY20 and later- line 1a, Form 1040-NR
 - TY19 - line 8, Form 1040-NR.
- (2) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- (3) For TY21 and prior Household Employees may not have Form W-2 to support an entry on line 1a, Form 1040-NR. They are instructed to write “**HSH**” and the amount of earnings to the left of the wages line. Consider this a “Form W-2 type” statement.

3.22.3.17.3
(01-01-2024)

Field 03TEX - Total Income Exempt by Treaty

- (1) Total Income Exempt by Treaty is transcribed in Field 03TEX from the following lines:
 - TY 22 and later - line 1k Form 1040-NR
 - TY20 and TY21 - line 1c, Form 1040-NR
 - TY19 - line 22, Form 1040-NR
- (2) The amount from this field is used for **information purposes only** and not used in the computation of total income. Refer to EC 218 in IRM 3.22.3.168.2.2.1 (3) for Form 1040-NR.

(3) The taxpayer's entry on line 15 (TY20 and TY21, line c) must correspond to the information provided about treaty-exempt income reported on Schedule OI, item L, Form 1040-NR, or elsewhere on the return.

(4) **The taxpayer must identify:**

- a. the name of the foreign country whose tax treaty with the United States provides his exempt status;
- b. the treaty article number which exempts his specific income; and
- c. the amount of the exempt income for the tax year.

Note: In addition, if the taxpayer claims the benefits of the Government Service treaty article listed in Exhibit 3.22.3-2 verify that the taxpayer holds an A1 or A2 visa and refer to the Exhibit to determine if the claim is valid.

(5) All three (3) items listed above must be identified before validation of the treaty can be completed. Correspond for any missing information by selecting paragraph J on Form 13900. If no reply or an incomplete reply, disallow the treaty exemption.

(6) Treaty income exemption claims are validated using the tax treaty table at Exhibit 3.22.3-1, *Table 2. Compensation for Personal Services*, and the table of exempt countries for government service employees at Exhibit 3.22.3-2. Include the guidance in the footnotes on the tax treaty table when validating treaty exemption claims. The footnotes are based on the specific provisions in each of the tax treaties.

Example: Per the tax treaty table, a resident of Australia may claim an exemption of \$10,000 under Article 17 for public entertainment income for the tax year. The table has footnote "25" attached to the maximum amount on the table. Footnote 25 says that the exemption doesn't apply if gross receipts of this type of income exceed the maximum amount. As a result, the exemption isn't allowed when the total Article 17 income is over \$10,000.

(7) If the taxpayer provides a treaty article number, but doesn't cite the subparagraphs, accept the treaty article without the subparagraphs if the country and amount are valid for that article number on the treaty tables.

3.22.3.17.4
(11-03-2022)
Field 03TWG Total Wages

- (1) Total Wages is transcribed in Field 03TWG from line 1z Form 1040-NR.
- (2) Refer to EC 201 in IRM 3.12.3 *Error Resolution, Individual Income Tax returns*.

3.22.3.17.5
(11-08-2021)
Field 03TEI Tax Exempt Interest

- (1) Tax Exempt Interest is transcribed in Field 03TEI from the following lines:
- TY20 and later- line 2a, Form 1040-NR
 - TY19 - line 9b, Form 1040-NR

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3.22.3.17.6
(11-08-2021)
Field 03INT Taxable Interest

- (1) Taxable Interest is transcribed in Field 03INT from the following lines:
- TY20 and later - line 2b, Form 1040-NR
 - TY19 - line 9a, Form 1040-NR

- (2) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- (3) United States bank interest, savings and loan or similar association interest and certain deposits with United States insurance companies is not taxable. Delete entry where reported.

Note: Generally, dividends received from stocks and mutual funds, as well as interest received from bonds not in registered form, is considered taxable income.

3.22.3.17.7
(11-08-2021)
Field 03QD Qualified Dividends

- (1) Qualified Dividends is transcribed in Field 03QD from the following lines:
 - TY20 and later - line 3a, Form 1040-NR
 - TY19 - line 10b, Form 1040-NR
- (2) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns**.

3.22.3.17.8
(11-08-2021)
Field 03DIV Ordinary Dividends

- (1) Ordinary Dividends is transcribed in Field 03DIV from the following lines:
 - TY20 and later - line 3b, Form 1040-NR
 - TY19 - line 10a, Form 1040-NR
- (2) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns**.

3.22.3.17.9
(11-08-2021)
Fields 03GIR and 03TIR Gross and Taxable IRA Distribution

- (1) Gross IRA Distribution is transcribed in Field 03GIR from the following lines:
 - TY20 and later - line 4a, Form 1040-NR
 - TY19 - line 16a, Form 1040-NR
- (2) Taxable IRA Distribution is transcribed in Field 03TIR from the following lines:
 - TY20 and later - line 4b, Form 1040-NR
 - TY19 - line 16b, Form 1040-NR
- (3) Refer to EC 218 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*. In TY 2018, IRA amounts are combined with pensions and annuities and reported on line 17a and 17b.

3.22.3.17.10
(11-08-2021)
Fields 03GPA and 03TPA Gross and Taxable Pensions and Annuities

- (1) Gross Pensions and Annuities is transcribed in Field 03GPA from the following lines:
 - TY20 and later - line 5a, Form 1040-NR
 - TY19 - line 17a, Form 1040-NR
- (2) Taxable Pensions and Annuities is transcribed in Field 03TPA from the following lines:
 - TY20 and later - line 5b, Form 1040-NR
 - TY19 - line 17b, Form 1040-NR
- (3) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

- 3.22.3.17.11
(11-08-2021)
Field 03CGL Schedule D Profit/Loss
- (1) Capital Gains is transcribed in Field 03CGL from the following lines:
 - TY20 and later - line 7, Form 1040-NR
 - TY19 - line 14, Form 1040-NR
 - (2) Refer to EC 204 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.12
(11-08-2021)
Field 03ADD Additional Income
- (1) Additional Income is transcribed in Field 03ADD from the following line:
 - TY20 and later - line 8, Form 1040-NR
 - (2) This field did not exist on TY19 Form 1040-NR, but for TY20 and later this field will be transcribed on Form 1040-NR.
 - (3) Refer to EC 218 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.13
(11-08-2021)
Field 03TOT Total Income
- (1) Total Income is transcribed in Field 03TOT from the following lines:
 - TY20 and later - line 9, Form 1040-NR
 - TY19 - line 23, Form 1040-NR; line 7b Form 1040
 - (2) . Refer to EC 218 in both IRM 3.22.3.168 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.14
(01-01-2024)
Field 03TAJ Total Adjustments
- (1) Total Adjustments is transcribed in Field 03TAJ from the following lines:
 - TY23 - line 10 Form 1040-NR
 - TY20 -TY22 - line 10d, Form 1040-NR
 - TY19 - line 34, Form 1040-NR
 - (2) Refer to EC 229 in both IRM 3.22.3. and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.15
(11-08-2021)
Field 03AGI Adjusted Gross Income (AGI)
- (1) Adjusted Gross Income is transcribed in Field 03AGI from the following lines:
 - TY20 and later - line 11, Form 1040-NR
 - TY19 - line 35, Form 1040-NR
 - (2) Refer to EC 230 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.16
(01-01-2026)
Field 03QBI Qualified Business Income Deduction
- (1) Qualified Business Income Deduction is transcribed in Field 03QBI from the following lines:
 - TY20 and later - line 13a, Form 1040-NR
 - TY19 - line 38, Form 1040-NR
 - (2) Refer to EC 248, 249 and EC 256 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns**.

- 3.22.3.17.17
(01-01-2026)
Field 03INC Taxable Income
- (1) Taxable Income is transcribed in Field 03INC from the following lines:
 - TY20 and later - line 15, Form 1040-NR
 - TY19 - line 41, Form 1040-NR
 - (2) Refer to EC 256 and EC 265 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.18
(11-08-2021)
Field 03TTX Tentative Tax
- (1) Tentative Tax is transcribed in Field 03TTX from the following lines:
 - TY20 and later - line 16, Form 1040-NR
 - TY19 - line 42, Form 1040-NR
 - (2) Refer to EC 265 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.19
(01-01-2020)
Field 03AF Additional Form 8814 attached (ERS only)
- (1) This field is ERS input only. Refer to EC 265 in IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.20
(01-01-2020)
Field 03AT Additional Form 8814 Tax (ERS only)
- (1) This field is ERS input only. Refer to EC 265 in IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.21
(11-08-2021)
Field 03COD Child Tax and Other Dependent Credit Amount
- (1) Child Tax and Other Dependent Credit Amount is transcribed in Field 03COD from the following lines:
 - TY20 and later - line 19, Form 1040-NR
 - TY19 - line 49, Form 1040-NR
 - (2) Refer to EC 290 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.22
(11-08-2021)
Field 03NRC Total Statutory Credits
- (1) Total Statutory Credits is transcribed in Field 03NRC from the following lines:
 - TY20 and later - line 21, Form 1040-NR
 - TY19 - line 52, Form 1040-NR
 - (2) Refer to EC 310 in both IRM 3.22.3 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns.**
- 3.22.3.17.23
(11-08-2021)
Field 03TNC Tax On Not Effectively Connected Income (NEC)
- (1) Tax on Not Effectively Connected Income is transcribed in Field 03TNC from the following lines:
 - TY20 and later - line 23a, Form 1040-NR
 - TY19 - line 54, Form 1040-NR
 - (2) Income not effectively connected with a United States trade or business (NEC) reported on line 23a, Form 1040-NR, is supported by Schedule NEC, of Form 1040-NR and is taxed at a rate of 30 percent unless the taxpayer's country of residence has a different tax rate due to tax treaty provisions. Exhibit 3.22.3-3,

Treaty Table 1. Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties, displays the tax treaty rates applicable to NEC income.

- (3) Refer to IRM 3.22.3.233.3, *Correction Procedures - EC 311*, for instructions on validating treaty tax rates used on Schedule NEC.

3.22.3.17.24
(03-12-2025)

Field 03OTX Total Other Taxes

- (1) Total Other Taxes is transcribed in Field 03OTX from the following line:
- TY20 and later - line 23b, Form 1040-NR
 - TY24 - line 6 Form 1040-SS
 - TY25 line 6e Form 1040-SS
- (2) This field did not exist on TY19 Form 1040-NR, but for TY20 and later this field will be transcribed on Form 1040-NR.
- (3) Refer to EC 333 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.17.25
(11-08-2021)

Field 03GTT Gross Transportation Tax

- (1) Gross Transportation Tax is transcribed in Field 03GTT from the following lines:
- TY20 and later - line 23c, Form 1040-NR
 - TY19 - line 58, Form 1040-NR
- (2) Refer to EC 334 in IRM 3.22.3.247.

3.22.3.17.26
(01-01-2024)

Field 03TAX Total Tax

- (1) Total Tax is transcribed in Field 03TAX from the following lines:
- TY24 and later - line 7, Form 1040-SS (sp)/ Form 1040-SS
 - TY20 and later - line 24, Form 1040-NR; line 6 Form 1040-SS (sp)/ Form 1040-SS
 - TY19 - line 61, Form 1040-NR; line 6 Form 1040-SS (sp)/1040-SS
- (2) Refer to EC 334 in both IRM 3.22.3.247 and IRM 3.12.3, **Error Resolution, Individual Income Tax Returns**.

3.22.3.17.27
(11-08-2021)

Field 03WH Withholding

- (1) Withholding is transcribed in Field 03WH from the following lines:
- TY20 and later- line 25d, Form 1040-NR
 - TY19 - line 62a, Form 1040-NR
- (2) Field 03WH is for withholding from Form(s) W-2 and Form(s) 1099 and other forms.
- (3) Form 1040-NR also has other types of withholding claims. Refer to the instructions for Fields 0325E, 0325F and 0325G, Form 1040-NR.
- (4) Refer to EC 366 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

- 3.22.3.17.28
(11-08-2021)
Field 0325E Form 8805 Withholding
- (1) Form 8805 Withholding is transcribed in Field 0325E from the following lines:
 - TY20 and later - line 25e, Form 1040-NR
 - TY19 - line 62b, Form 1040-NR
 - (2) Refer to EC 366 in IRM 3.22.3.264.4.4.
- 3.22.3.17.29
(11-08-2021)
Field 0325F Form 8288-A Withholding
- (1) Form 8288-A Withholding is transcribed in Field 0325F from the following lines:
 - TY20 and later - line 25f, Form 1040-NR
 - TY19 - line 62c, Form 1040-NR
 - (2) Refer to EC 366 in IRM 3.22.3.264.4.5.
- 3.22.3.17.30
(11-08-2021)
Fields 0325G/0318B Form 1042-S Withholding
- (1) Form 1042-S Withholding is transcribed in Field 0325G (Form 1040-NR) from the following lines:
 - TY20 and later- line 25g, Form 1040-NR
 - TY19 - line 62d, Form 1040-NR
 - (2) Refer to EC 366 in IRM 3.22.3.264.4.6
- 3.22.3.17.31
(01-01-2026)
Fields 03ESP Estimated Tax Payments
- (1) Estimated Tax Payments is transcribed in Field 03ESP from the following lines:
 - TY24 - line 8, Form 1040-SS.
 - TY20 and later - line 26, Form 1040-NR; line 7, Form 1040-SS
 - TY19 - line 63, Form 1040-NR; line 7, Form 1040-SS (sp)/Form 1040-SS
 - (2) Refer to EC 366 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.17.32
(01-01-2026)
Field 03ACT Additional Child Tax Credit/Refundable Child Tax Credit
- (1) Additional Child Tax Credit/Refundable Child Tax Credit is transcribed in Field 03ACT from the following lines:
 - TY25 - Line 11b Form 1040-SS.
 - TY24 - line 10, Form 1040-SS.
 - TY20 through TY23 - line 28, Form 1040-NR; line 9, Form 1040-SS
 - TY19 - line 64, Form 1040-NR; line 9, Form 1040(PR)/Form 1040-SS
 - (2) Refer to EC 344 in IRM 3.22.3.253.
- 3.22.3.17.33
(11-08-2021)
Fields 0329/0320 Credit for amount paid with Form 1040-C
- (1) Credit for amount paid with Form 1040-C is transcribed in Field 0329 (Form 1040-NR) from the following lines:
 - TY20 and later - line 29, Form 1040-NR;
 - TY19 - line 70, Form 1040-NR
- 3.22.3.17.34
(11-08-2021)
Field 03RCR Refundable Credits
- (1) Refundable Credits is transcribed in Field 03RCR from the following line:
 - TY20 and later - line 32, Form 1040-NR
 - (2) This field did not exist on TY19 Form 1040-NR, but for TY20 and later this field will be transcribed on Form 1040-NR.

- (3) Refer to EC 364 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.17.35
(01-01-2024)

**Field 03PAY Total
Payments**

- (1) Total Payments is transcribed in Field 03PAY from the following lines:
- TY20 and later- line 33, Form 1040-NR; line 12, Form 1040-SS (sp)/ Form 1040-SS
 - TY19 - line 71, Form 1040-NR; line 11, Form 1040(PR)/Form 1040-SS
- (2) Refer to EC 366 in IRM 3.22.3.264.4.1.

3.22.3.17.36
(01-01-2024)

**Field 03BDR Balance
Due/Refund**

- (1) Balance Due Refund is transcribed in Field 03BDR and can be either negative (meaning a refund due to taxpayer) or positive (meaning amount due to IRS) and is transcribed from the following lines:
- TY20 and later(Negative) - line 35a, Form 1040-NR; line 14a, Form 1040-SS (sp)/ Form 1040-SS
 - TY19 (Negative) - line 73a, Form 1040-NR; line 13a, Form 1040(PR)/ Form 1040-SS
 - TY20 and later (Positive) - line 37, Form 1040-NR; line 16, Form 1040(PR)/Form 1040-SS
 - TY19 (Positive) - line 75, Form 1040-NR; line 15, Form 1040(PR)/Form 1040-SS
- (2) Refer to EC 370 in IRM 3.22.3.266.

3.22.3.17.37
(01-01-2026)

**Field 03CEL Estimated
Tax Credit Elect**

- (1) Estimated Tax Credit Elect is transcribed in Field 03CEL from the following lines:
- TY20 and later - line 36, Form 1040-NR; line 15, Form 1040-SS (sp)/ Form 1040-SS
 - TY19 - line 74, Form 1040-NR; line 14, Form 1040(PR)/Form 1040-SS
- (2) Credit Election amount Field is used to indicate the amount of overpayment that the taxpayer wants to allocate toward the next year's tax liability.

3.22.3.17.38
(01-03-2022)

**Field 03ETP
Pre-Determined
Estimated Tax Penalty**

- (1) Estimated Tax Penalty is transcribed in Field 03ETP from the following lines:
- TY20 and later - line 38, Form 1040-NR
 - TY19 - line 76, Form 1040-NR

3.22.3.17.39
(01-01-2024)

**Field 03AI Third Party
Authorization Indicator**

- (1) This field is transcribed from the third party designee area of page 2, Form 1040-NR; page 1, Form 1040-SS (sp) or Form 1040-SS

3.22.3.17.40
(01-01-2024)

**Field 03TPN Third Party
Designee Name**

- (1) This field is transcribed from the Third Party Designee area on page 2, Form 1040-NR; page 1, Form 1040-SS (sp) or Form 1040-SS. It is 20 characters in length.

- 3.22.3.17.41
(01-01-2025)
Field 03TPI Third Party Designee ID Number
- (1) This field is transcribed from the Third Party Designee area on page 2, Form 1040-NR, on page 1 Form 1040-SS (sp) or page 1 Form 1040-SS. The taxpayer is instructed to enter 5 digits, alpha or numeric that they choose as their ID Number.
- 3.22.3.17.42
(01-01-2026)
Field 03EMW E-File Mandate Waiver Indicator
- (1) This field is transcribed from the lower right of page 2, Form 1040-NR, and page 1 of Form 1040-SS (sp), or Form 1040-SS.
- 3.22.3.17.43
(01-01-2025)
Field 03PT Preparer TIN
- (1) This field is transcribed from the preparer's area of page 2, Form 1040-NR, page 1 Form 1040-SS (sp), or page 1 Form 1040-SS.
- 3.22.3.17.44
(01-01-2025)
Field 03PE Preparer EIN
- (1) This field is transcribed from the preparer's area of page 2, Form 1040-NR, page 1 Form 1040-SS (sp), or page 1 Form 1040-SS.
- 3.22.3.17.45
(01-01-2025)
Field 03PC Preparer Code
- (1) This code will be edited to the right of the Preparer's EIN on page 2, Form 1040-NR and page 1 Form 1040-SS (sp) or page 1 Form 1040-SS.
- 3.22.3.17.46
(01-01-2024)
Field 03PTN Preparer Telephone Number
- (1) This field is transcribed from under the Paid Preparer's information in the lower right-hand margin of page 2, Form 1040-NR Form 1040-SS (sp) or Form 1040-SS. It is a ten-digit field that can contain alpha, numeric and blank entries.
- 3.22.3.18
(01-01-2020)
Section 04 - Additional Income and Adjustments to Income
- (1) For Section 04 refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 04*, for field descriptions, invalid conditions and corrections unless otherwise specified.
- 3.22.3.18.1
(01-01-2026)
Error Record Format - Section 04
- (1) Section 04 contains the following Fields:
- Note:** The "Location on the Form" applies to Schedule 1, Form 1040-NR, and Form 1040-SS unless specified otherwise:

Form 1040-NR	Field Title
04KAM	1099-K Amount
0401	State Income Tax Refund
0403	Combined Schedule C Profit/Loss
0404	Other Gains/Losses
0405	Schedule E Profit/Loss
0406	Combined Schedule F Profit/Loss

Form 1040-NR	Field Title
0407	Taxable Unemployment Compensation
04SFG	Scholarship Fellowship Grant Amount
04OTI	Other Income
04EDU	Educator Expenses
04CBE	Reservist and Other Business Expense Amounts
04HSA	Health Savings Account Deduction
04MOV	Moving Expenses
04DSE	Deduction for Self-Employment (SE) Tax
04SEP	SE Retirement Plans Deductions
04HID	Self Employed Health Insurance
04PEW	Penalty on Savings Withdrawal
04IRA	IRA Deduction
04SLI	Student Loan Interest Deduction
04MSA	Archer Medical Savings Account
04ADJ	Other Adjustments
04TQT	Total Qualified Tips Income
04DQT	Qualified Tips Deduction Amount
04QOT	Total Qualified Overtime Compensation Income
04DOT	Qualified Overtime Compensation Deduction Amount
04LIP	Total Car Loan Interest Paid
04LID	Car Loan Interest Deduction Amount
04DFS	Deduction for Seniors Deduction Amount

3.22.3.18.2
(01-01-2025)
**Field 04KAM - 1099-K
Amount**

- (1) The 1099-K Amount is transcribed in Field 04KAM Form 1040-NR from Schedule 1, Page 1, below Names.

3.22.3.18.3
(11-08-2021)
**Fields 0401/0404 - State
Income Tax Refund**

- (1) State Income Tax Refund is transcribed in Field 0401 (Form 1040-NR) from the following lines:
- TY20 and later - line 1, Schedule 1, Form 1040-NR
 - TY19 - line 11, Form 1040-NR

- (2) Refer to EC 218 in both IRM 3.22.3. and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.4
(11-08-2021)
Field 0403 Combined Schedule C Profit/Loss
- (1) Combined Schedule C Profit/Loss is transcribed in Field 0403 from the following lines:
- TY20 and later- line 3, Schedule 1, Form 1040-NR
 - TY19 - line 13, Form 1040-NR
- (2) Refer to EC 202 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.5
(11-08-2021)
Field 0404 Other Gains/Losses
- (1) Other Gains/Losses is transcribed in Field 0404 from the following lines:
- TY20 and later - line 4, Schedule 1, Form 1040-NR
 - TY19 - line 15, Form 1040-NR
- (2) Refer to EC 218 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.6
(11-08-2021)
Field 0405 Schedule E Income/Loss
- (1) Schedule E Income/Loss is transcribed in Field 0405 from the following lines:
- TY20 and later - line 5, Schedule 1, Form 1040-NR
 - TY19 - line 18, Form 1040-NR
- (2) Refer to EC 206 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.7
(11-08-2021)
Field 0406 Combined Schedule F Profit/Loss
- (1) Combined Schedule F Profit/Loss is transcribed in Field 0406 from the following lines:
- TY20 and later - line 6, Schedule 1, Form 1040-NR
 - TY19 - line 19, Form 1040-NR
- (2) Refer to EC 208 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.8
(11-08-2021)
Field 0407 Taxable Unemployment
- (1) Taxable Unemployment is transcribed in Field 0407 from the following lines:
- TY20 and later - line 7, Schedule 1, Form 1040-NR
 - TY19 - line 20, Form 1040-NR
- (2) Refer to EC 218 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*. For TY2009 ONLY, the first \$2400 in unemployment compensation is not taxable.
- 3.22.3.18.9
(01-01-2024)
Field 04SFG - Scholarship or Fellowship Grants
- (1) Scholarship or Fellowship Grants is transcribed in Field 04SFG from the following lines:
- TY 22 and later Schedule 1, line 8r Form 1040-NR
 - TY20 and TY21- line 1b, Form 1040-NR
 - TY19 - line 12, Form 1040-NR,

- (2) Scholarships/Fellowships/Grants received are reported differently based on how they are reported to the taxpayer.
 - a. Taxpayers use Form 1040, line 1a, to report amounts from Form W-2 issued by a college or educational institution. These are amounts paid for services for teaching, research, etc. An entry on line 1a, Form 1040-NR, may be supported by one of the following documents: Form W-2 (issued by a college or an educational institution), Form 1042-S, Income Code 16 issued by a college or educational institution (Income Code 15 in TY 2014 and prior), A statement from the educational institution (on their letterhead) which identifies the income paid to the nonresident alien taxpayer as a Scholarship or Fellowship Grant.
 - b. Taxpayers use Schedule 1, line 8r, to report amounts from Form 1042-S, Income Code 16 issued by a college or educational institution
- (3) If the Scholarship or Fellowship Grant income is included in W-2 Wages (Field 03WG of Form 1040-NR), adjust the wages and enter the Scholarship or Fellowship Grants in Field 04SFG of Form 1040-NR.

Caution: If it can be determined that the taxpayer is claiming a tax treaty exemption of Scholarship or Fellowship Grant income see EC 218 instructions at IRM 3.22.3.168.2.2.1 (2) (Form 1040-NR).

3.22.3.18.10
(01-01-2023)
**Field 04OTI Other
Income**

- (1) Other Income is transcribed in Field 04OTI from the following lines:
 - TY21 and later- Line 9, Schedule 1, Form 1040-NR
 - TY20 - line 8, Schedule 1, Form 1040-NR
 - TY19 - line 21, Form 1040-NR
- (2) Refer to EC 218 in both IRM 3.22.3.168 and IRM 3.12.3 *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.11
(01-01-2024)
**Field 04RTA Form 982
Indicator**

- (1) This field is only valid on a Form 1040-NR or a Form 1040-SS (sp)/ Form 1040-SS.

Note: Field 04RTA is the only field that is in Section 04 on a Form 1040-SS (sp)/ Form 1040-SS .
- (2) An entry is required in **Field 04RTA** when Form 982 is present. Enter a “1” in Field 04RTA.

3.22.3.18.12
(01-01-2023)
**Field 04EDU Educator
Expense**

- (1) Educator Expense is transcribed in Field 04EDU from the following lines:
 - TY21 and later - line 11, Schedule 1, Form 1040-NR
 - TY20 - line 10, Schedule 1, Form 1040-NR
 - TY19 - line 24, Form 1040-NR
- (2) Refer to EC 220 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.13
(01-01-2023)
**Field 04CBE Reservist
and Other Business
Expenses Amount**

- (1) Reservist and Other Business Expenses Amount is transcribed in Field 04CBE from the following line:
 - TY21 and later - line 12, Schedule 1, Form 1040-NR

- (2) This field did not exist on TY20 Form 1040-NR, but for TY21 and later this field will be transcribed on Form 1040-NR.
- (3) Refer to EC 229 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.14
(01-01-2023)
Field 04HSA Health Savings Account Deduction

- (1) Health Savings Account Deduction is transcribed in Field 04HSA from the following lines:
 - TY21 and later - line 13, Schedule 1, Form 1040-NR
 - TY20 - line 12, Schedule 1, Form 1040-NR
 - TY19 - line 25, Form 1040-NR
- (2) Refer to EC 226 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.15
(01-01-2023)
Field 04MOV Moving Expenses

- (1) Moving Expenses is transcribed in Field 04MOV from the following lines:
 - TY21 and later - line 14, Schedule 1, Form 1040-NR
 - TY20 - line 13, Schedule 1, Form 1040-NR
 - TY19 - line 26, Form 1040-NR
- (2) Refer to EC 229 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.16
(01-01-2023)
Field 04DSE Deduction for Self-Employment Tax Amount

- (1) Deduction for Self-Employment Tax Amount is transcribed in Field 04DSE from the following lines:
 - TY21 and later - line 15, Schedule 1, Form 1040-NR
 - TY20 - line 14, Schedule 1, Form 1040-NR
 - TY19 - line 27, Form 1040-NR
- (2) Nonresident aliens who are filing a dual-status tax return are required to pay SE tax on their United States Self-Employment income and are allowed to take a deduction for one-half of the SE tax paid on line 27.
- (3) Refer to EC 211 in IRM 3.22.3.163.

3.22.3.18.17
(01-01-2023)
Field 04SEP SE Retirement Plans Deduction

- (1) SE Retirement Plans Deduction is transcribed in Field 04SEP from the following lines:
 - TY21 and later - line 16, Schedule 1, Form 1040-NR
 - TY20 - line 15, Schedule 1, Form 1040-NR
 - TY19 - line 28, Form 1040-NR
- (2) Refer to EC 229 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.18.18
(01-01-2023)
Field 04HID Self Employed Health Insurance

- (1) Self Employed Health Insurance is transcribed in Field 04HID from the following lines:
 - TY21 and later - line 17, Schedule 1, Form 1040-NR
 - TY20 - line 16, Schedule 1, Form 1040-NR
 - TY19 - line 29, Form 1040-NR

- (2) Refer to EC 229 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.19
(01-01-2023)
Field 04PEW Penalty on Early Withdrawal of Savings
- (1) Penalty on Early Withdrawal of Savings is transcribed in Field 04PEW from the following lines:
- TY21 and later - line 18, Schedule 1, Form 1040-NR
 - TY20 - line 17, Schedule 1, Form 1040-NR
 - TY19 - line 30, Form 1040-NR
- (2) Refer to EC 229 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.20
(01-01-2023)
Field 04IRA IRA Deduction
- (1) IRA Deduction is transcribed in Field 04IRA from the following lines:
- TY21 and later - line 20, Schedule 1, Form 1040-NR
 - TY20 - line 19, Schedule 1, Form 1040-NR
 - TY19 - line 32, Form 1040-NR
- (2) Refer to EC 222 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.21
(01-01-2023)
Field 04SLI Student Loan Interest Deduction
- (1) Student Loan Interest Deduction is transcribed in Field 04SLI (Form 1040-NR) from the following lines:
- TY21 and later - line 21, Schedule 1, Form 1040-NR
 - TY20 - line 20, Schedule 1, Form 1040-NR
 - TY19 - line 33, Form 1040-NR
- (2) Refer to EC 224 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.18.22
(01-01-2023)
Field 04MSA Archer MSA
- (1) Archer MSA is transcribed in Field 04MSA from the following lines:
- TY21 and later - line 23, Schedule 1, Form 1040-NR
 - TY20 - on dotted portion of line 22, Schedule 1, Form 1040-NR
 - TY19 - on dotted portion of line 34, Form 1040-NR
- (2) Refer to EC 229 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*
- 3.22.3.18.23
(01-01-2023)
Field 04ADJ Other Adjustments (dotted portion)
- (1) Other Adjustments is transcribed in Field 04ADJ from the following lines:
- TY21 and later - line 25, Schedule 1, Form 1040-NR
 - TY20 - on dotted portion of line 22, Schedule 1, Form 1040-NR
 - TY19 - on dotted portion of line 34, Form 1040-NR
- (2) Refer to EC 229 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19
(01-01-2020)

**Section 05 - Additional
Taxes, Additional Credits
and Payments**

- (1) For Section 05 refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 05*, for field description, invalid conditions and correction procedures unless otherwise specified.

3.22.3.19.1
(01-01-2026)

**Error Record
Format-Section 05**

- (1) The following fields will be displayed for Form 1040-NR and Form 1040-SS.

Form 1040-NR	Form 1040-SS	Field Title
0521A		Advance Premium Tax Credit Repayment
0521B		Repayment of Clean Vehicle Credit
0521C		Repayment of Previously Owned Clean Vehicle Credit
0521D		Schedule 2 Part 1 Form 4255 Recapture amount
0521E		Form 4255 Excessive Payments Amount
05PCK		Form 4255 Excessive Payments Checkbox
0521F		Form 4255 Chapter 1 Tax Amount
05TCK		Form 4255 Chapter 1 Tax Checkbox
0521Y		Other Additions to Tax Amount
05202		Alternative Minimum Tax
05204	0503	Combined Self-Employment Tax
05SSM		Unreported Social Security and Medicare Tax on Form 4137 and Form 8919
05IRA		Tax on Early Distributions
05HSH	05HSH	Combined Household Employment Taxes
05FHB		First Time Home Buyer Repayment from Form 5405

Form 1040-NR	Form 1040-SS	Field Title
05AMT		FORM 8959 Additional Medicare Tax
05NIT		FORM 8960 Net Investment Income Tax
05USS		Uncollected SST Tax on Tips
05III		Interest due on Installment Income (IRC 453 Tax, Code L)
05IDT		Interest on Deferred Tax (IRC 453 Tax, Code A)(ERS only)
05LIR		Form 8611 Recapture
05TAT		Total Additional Taxes
05EPR		Schedule 2 Part II Form 4255 Recapture Amount
05965		Section 965 Tax Installment (ERS Only)
05TL		Section 965 Tax Liability (ERS Only)
05PYC		Prior Year Advanced Credit (Schedule 8812)
05301		Foreign Tax Credit
05302		Credit for Child and Dependent Care Expenses
05304		Retirement Savings Contribution
0505A		Residential Clean Energy Credit
0505B		Energy Efficient Home Improvement Credit
05GBC		General Business Credits
05PYM		Credit for Prior Year Minimum Tax
05ADC		Adoption Credit
05CVC		Clean Vehicle Credit Amount

Form 1040-NR	Form 1040-SS	Field Title
05MIC		Mortgage Interest Credits
05POC		Previously Owned Clean Vehicles Credit
05OSC		Other Statutory Credits
05ONC		Total Other Nonrefundable Credits
05PTC		Reconciled Premium Tax Credit Amount
	05ESS	Excess Social Security/tier 1 RRTA withheld
05EXT	05EXT	Form 4868 Payment
05ESS		Excess Social Security/tier 1 RRTA withheld
05FUE		Fuel Tax Credit
05RIC		Form 2439 Regulated Investment Tax Credit
05EYR		Credit For Earlier Year Income Repayment
05EPA		Net Elective Payment Election Amount
	05DHS	Deferred Taxes Schedule H-Schedule SE
05OTH	05OTH	Other Payment or Credit Amount (ERS only)
05TYP	05TYP	Other Payment Credit Type Code(ERS only)
05OPR		Total Other Payments and Refundable Credits

3.22.3.19.2
(01-01-2025)
**Field 0521A Advance
Premium Tax Credit
Repayment**

- (1) Advance Premium Tax Credit Repayment is transcribed in Field 0521A from the following lines:
 - TY24 - Line 1a, Schedule 2 Form 1040-NR.
 - TY20 and later - line 2, Schedule 2, Form 1040-NR.
 - TY19 - line 44, Form 1040-NR
- (2) Refer to EC 270 through EC 276 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.3
(01-01-2025)
**Field 05202 Alternative
Minimum Tax**

- (1) Alternative Minimum Tax is transcribed in Field 05202 from the following lines:
 - TY24 - line 2, Schedule 2 Form 1040-NR.
 - TY20 and later - line 1, Schedule 2, Form 1040-NR.
 - TY19 - line 43, Form 1040-NR.
- (2) Refer to EC 267 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.4
(01-01-2025)
**Fields 05204/0503
Combined
Self-Employment Tax**

- (1) Combined Self-Employment Tax is transcribed in Field 05204 (Form 1040/ Form 1040-NR) or Field 0503 (Form 1040(PR)/Form 1040-SS) from the following lines:
 - TY23 and later - line 6, Schedule 2, Form 1040-NR; line 3, Form 1040-SS (sp) or Form 1040-SS
 - TY20 - TY22- line 4, Schedule 2, Form 1040 or Form 1040-NR; line 3, Form 1040-SS (sp) or Form 1040-SS
 - TY19 - line 55, Form 1040-NR; line 4, Schedule 2, Form 1040; line 3, Form 1040(PR) or Form 1040-SS
- (2) If a taxpayer is from the USVI, AS, GU, CNMI, or PR and files **Form 1040** with a Schedule C, E (Part II present), F, or SE **to report self-employment taxes in lieu of Form 1040-SS (sp) or Form 1040-SS**, SSPND 610 to renumber as Form 1040-SS.

Caution: If the taxpayer is claiming wages and/or withholding, **do not convert**.

- (3) **Dual-status** - A taxpayer may pay self-employment tax only on the income earned during the period of U.S. residency reported on the Form 1040 statement of a dual-status Form 1040-NR. Follow taxpayer intent.
- (4) Refer to EC 209 in IRM 3.22.3.161.

3.22.3.19.5
(01-01-2023)
**Fields 05SSM
Unreported Social
Security and Medicare
Tax for Form 4137 and
Form 8919**

- (1) Unreported Social Security and Medicare Tax for Form 4137 and 8919 is transcribed in Field 05SSM (Form 1040-NR) from the following lines:
 - TY21 and later - line 7, Schedule 2, Form 1040-NR
 - TY20 - line 5, Schedule 2, Form 1040-NR
 - TY19 - line 56, Form 1040-NR; line 16,
- (2) Refer to EC 316 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.6
(01-01-2023)
**Field 05IRA Tax on Early
Distributions**

- (1) Tax on Early Distributions is transcribed in Field 05IRA from the following lines:
 - TY21 and later - line 8, Schedule 2, Form 1040-NR
 - TY20 - line 6, Schedule 2, Form 1040-NR
 - TY19 - line 57, Form 1040-NR
- (2) Refer to EC 318 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

- 3.22.3.19.7
(01-01-2024)
Field 05HSH Combined Household Employment Taxes
- (1) Combined Household Employment Taxes is transcribed in Field 05HSH (Form 1040-NR or Form 1040-SS (sp)/Form 1040-SS) from the following lines:
 - TY21 and later - line 9, Schedule 2, Form 1040-NR
 - TY20 - line 7a, Schedule 2, Form 1040-NR; line 4, Form 1040(PR) or Form 1040-SS.
 - TY19 - line 59a, Form 1040-NR; line 4, Form 1040(PR) or Form 1040-SS
 - (2) Refer to EC 322, EC 324 and EC 326 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.19.8
(01-01-2024)
Field 05FHB First Time Home Buyer Repayment from Form 5405
- (1) First Time Home Buyer Repayment from Form 5405 is transcribed in Field 05FHB from the following lines:
 - TY21 through TY24 - line 10, Schedule 2, Form 1040-NR
 - TY20 - line 7b, Schedule 2, Form 1040-NR
 - TY19 - line 59b, Form 1040-NR
 - (2) Refer to EC 328 and EC 329 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- 3.22.3.19.9
(11-03-2022)
Field 05AMT Form 8959 Additional Medicare Tax
- (1) Form 8959 Additional Medicare Tax is transcribed in Field 05AMT from the following lines:
 - TY 21 and later - line 11, Schedule 2, Form 1040-NR.
 - TY 20 and prior - not transcribed.
 - (2) Refer to EC 331 in IRM 3.12.3 **Error Resolution, Individual Income Tax Returns** and IRM 3.22.3.
- 3.22.3.19.10
(01-01-2026)
Field 05NIT Form 8960 Net Investment Income Tax-Individuals, Estates, and Trusts
- (1) Form 8960 Net Investment Income Tax-Individuals, Estates, and Trusts is transcribed in Field 05NIT from the following lines:
 - TY 21 and later - line 12, Schedule 2, Form 1040-NR.
 - TY 20 and prior - not transcribed.
 - (2) Refer to EC 332 in IRM 3.12.3 **Error Resolution, Individual Income Tax Returns.** and IRM 3.22.3.
- 3.22.3.19.11
(01-01-2023)
Field 05USS Uncollected Tax on Reported Tips
- (1) Uncollected Tax on Reported Tips is transcribed in Field 05USS from the following lines:
 - TY21 and later - line 13, Schedule 2, Form 1040-NR
 - TY20 - box c checked on line 8, Schedule 2, Form 1040-NR
 - TY19 - box b checked on line 60, Form 1040-NR
 - (2) Refer to EC 334 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.12
(01-01-2023)

**Field 05III Interest due
on Installment Income
(IRC 453 Tax, Code L)**

- (1) When a IRC 453 code is present, IRC 453 Tax amount is transcribed from the following lines:
 - TY21 and later- line 14, Schedule 2, Form 1040-NR
 - TY20 - box c checked on line 8, Schedule 2, Form 1040-NR
 - TY19 - box b checked on line 60, Form 1040-NR.
- (2) Refer to EC 333 and EC 334 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.13
(01-01-2023)

**Field 05IDT Interest on
Deferred Tax (IRC 453
Tax, Code A)**

- (1) This field is transcribed in Field 05IDT from the following lines:
 - TY 21 and later - line 15, Schedule 2 Form 1040-NR
- (2) This field did not exist on TY19 Form 1040-NR, but for TY20 and later this field will be transcribed on Form 1040-NR.
- (3) Refer to EC 333 and EC 334 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.14
(01-01-2023)

**Field 05LIR Form 8611
Recapture Tax**

- (1) This field is transcribed from Form 1040-NR when tax from Form 8611 is notated as "LIHRC" on the following lines:
 - TY21 and later - line 16, Schedule 2, Form 1040-NR
 - TY20 - box c checked on line 8, Schedule 2, Form 1040-NR
 - TY19 - box b checked on line 60, Form 1040-NR
- (2) Refer to EC 333 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.15
(01-01-2023)

**Field 05TAT Total
Additional Taxes**

- (1) This field is transcribed from the following lines:
 - TY21 and later - line 18, Schedule 2, Form 1040-NR
 - TY20 - box c checked on line 8, Schedule 2, Form 1040-NR
 - TY19 - box b checked on line 60, Form 1040-NR.
- (2) Refer to EC 333 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.16
(01-01-2025)

**Field 05PYC Schedule
8812 Additional Tax**

- (1) Schedule 8812 Additional Tax is valid for TY21 only and is transcribed in field 05PYC from the following line:
 - TY 21 - line 19, Schedule 2, Form 1040-NR; Line 5b Form 1040-SS (sp)/Form 1040-SS
- (2) Refer to EC 333 and 334 in both IRM 3.22.3 and IRM 3.12.3 *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.17
(01-01-2023)

**Field 05965 Section 965
Tax Installment**

- (1) Section 965 Tax Installment is transcribed in Field 05965 from the following line:
 - TY 21 and later - line 20, Schedule 2, Form 1040-NR
 - TY20 - line 9, Schedule 2, Form 1040-NR
 - TY19 and prior - ERS input only

- (2) Refer to EC 188 for dual-status returns in IRM 3.22.3.151.

3.22.3.19.18
(11-08-2021)

**Field 05TL Section 965
Tax Liability (ERS Only)**

- (1) This field is an ERS only field for TY 2018 and later on Form 1040-NR. Refer to instructions in EC 188 for dual-status returns in IRM 3.22.3.151.

3.22.3.19.19
(01-01-2023)

**Field 05301 Foreign Tax
Credit**

- (1) Foreign Tax Credit is transcribed in Field 05301 from the following lines:
- TY 20 and later - line 1, Schedule 3, Form 1040-NR
 - TY19 - line 46, Form 1040-NR
- (2) Refer to EC 277 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.
- (3) Foreign Tax Credit **cannot be claimed for income that was excluded because of a tax treaty.**

3.22.3.19.20
(11-08-2021)

**Field 05302 Credit for
Child and Dependent
Care Expenses**

- (1) Credit for Child and Dependent Care Expenses is transcribed in Field 05302 from the following lines:
- TY20 and later - line 2, Schedule 3, Form 1040-NR
 - TY19 - line 47, Form 1040-NR
- (2) Refer to EC 278 and EC 279 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.21
(11-08-2021)

**Field 05304 Retirement
Savings Contribution
Credit**

- (1) Retirement Savings Contribution Credit is transcribed in Field 05304 from the following lines:
- TY20 and later - line 4, Schedule 3, Form 1040-NR
 - TY19 - line 48, Form 1040-NR
- (2) Refer to EC 286 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.22
(01-01-2024)

**Field 0505A Residential
Clean Energy Credit**

- (1) Residential Clean Energy Credit from Form 5695 is transcribed in Field 0505A from the following lines:
- TY23 line 5a, Schedule 3, Form 1040-NR
 - TY20 -22 - line 5, Schedule 3, Form 1040-NR
 - TY19 - line 50, Form 1040-NR
- (2) Refer to EC 291 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.23
(11-06-2023)

**Field 0505B Energy
Efficient Home
Improvement Credit**

- (1) Energy Efficient Home Improvement credit from Form 5695 is transcribed in Field 0505B from line 5b, Schedule 3.
- (2) Refer to EC 291 in IRM 3.12.3 *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.24
(01-01-2023)
**Field 05GBC General
Business Credits**

- (1) General Business Credits is transcribed in Field 05GBC from the following lines:
 - TY21 and later - Line 6a, Schedule 3, Form 1040-NR
 - TY20 - box a checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box a checked on line 51, Form 1040-NR
- (2) Refer to EC 302 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.25
(01-01-2023)
**Field 05PYM Credit for
Prior Year Minimum Tax**

- (1) Credit for Prior Year Minimum Tax is transcribed in Field 05PYM from the following lines:
 - TY21 and later - Line 6b, Schedule 3 Form 1040-NR
 - TY20 - box b checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box b checked on line 51, Form 1040-NR
- (2) Refer to EC 302, EC 308 and EC 310 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.26
(01-01-2023)
**Field 05ADC Adoption
Credit Form 8839**

- (1) This field is transcribed when a write in Form 8839 is present on the following lines:
 - TY21 and later - line 6c, Schedule 3, Form 1040-NR
 - TY20 - box c checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box c checked on line 51, Form 1040-NR
- (2) Refer to EC 294 and EC 299 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.27
(01-01-2024)
**Field 05CVC Clean
Vehicle Credit Amount**

- (1) This field is transcribed when a write in Form 8936 is present on the following lines:
 - TY21 and later - line 6f, Schedule 3, Form 1040-NR
 - TY20 - box c checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box c checked on line 51, Form 1040-NR
- (2) Refer to EC 299 and EC 310 in IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.28
(01-01-2026)
**Field 05MIC Mortgage
Interest Credit Form
8396**

- (1) This field is transcribed when a write in Form 8396 is present on the following lines:
 - TY21 and later - Line 6g, Schedule 3, Form 1040-NR
 - TY20 - box c checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box c checked on line 51, Form 1040-NR
- (2) Refer to EC 293 and EC 310 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.29

(11-06-2023)

Field 05POC Previously Owned Clean Vehicles Credit

- (1) This field is transcribed from line 6m, Schedule 3 Form 1040-NR.

3.22.3.19.30

(01-01-2023)

Field 05OSC Other Statutory Credits

- (1) This field is transcribed when an entry is present on the following lines:
- TY21 and later - line 6h - 6l and line 6z, Schedule 3, Form 1040-NR. Line 6z is ERS input only and must be added to the field total if present.
 - TY20 - box c checked on line 6, Schedule 3, Form 1040-NR
 - TY19 - box c checked on line 51, Form 1040-NR
- (2) Refer to EC 300, EC 302 and EC 310 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.31

(01-01-2023)

Field 05ONC Total Other Nonrefundable Credits

- (1) Form 3800, Form 8801, and Other Credits is transcribed in Field 05ONC from the following lines:
- TY21 and later - line 7, Schedule 3, Form 1040-NR
 - TY20 - line 6, Schedule 3, Form 1040-NR
 - TY19 - line 51, Form 1040-NR
- (2) Refer to EC 302 and EC 310 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.32

(01-01-2023)

Field 05PTC - Reconciled Premium Tax Credit Amount

- (1) Reconciled Premium Tax Credit Amount is transcribed in Field 05PTC from the following lines:
- TY21 and later - line 9, Schedule 3, Form 1040-NR
 - TY20 - line 8, Schedule 3, Form 1040-NR
 - TY19 - line 65, Form 1040-NR
- (2) Refer to EC 353 and 354 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.33

(01-01-2026)

Field 05EXT Amount Paid with Request for Extension

- (1) Amount Paid with Request for Extension is transcribed in Field 05EXT from the following lines:
- TY 25 - Line 9, Form 1040-SS.
 - TY24 - line 11b, Form 1040-SS.
 - TY21 and later - line 10, Schedule 3, Form 1040-NR
 - TY20 - line 9, Schedule 3, Form 1040-NR
 - TY19 - line 66, Form 1040-NR
- (2) For Form 1040-SS (sp) and Form 1040-SS, this is an ERS input only field (Field 05EXT) and is edited on the bottom right margin for, Form 1040-SS (sp) and Form 1040-SS.

3.22.3.19.34
(01-01-2026)

**Field 05ESS Excess
Social Security Tax
Withheld (SST)/Railroad
Retirement Tax Withheld
(RRTA)**

- (1) Excess Social Security Tax Withheld is transcribed in Field 05ESS (Form 1040-NR or Form 1040-SS (sp)/Form 1040-SS) from the following lines:
 - TY 25 - Line 11b Form 1040-SS.
 - TY24 - Line 9 w Form 1040-SS.
 - TY 21 and later - line 11, Schedule 3, Form 1040-NR; Line 8, Form 1040-SS (sp) or Form 1040-SS
 - TY20 - line 10, Schedule 3, Form 1040-NR; line 8, Form 1040(PR) or Form 1040-SS
 - TY19 - line 67, Form 1040-NR; line 8, Form 1040(PR) or Form 1040-SS
- (2) Refer to EC 364 in IRM 3.22.3.263.2.1 and IRM 3.22.3.264.5.2

3.22.3.19.35
(01-01-2023)

**Field 05FUE Fuel Tax
Credit from Form 4136**

- (1) Fuel Tax Credit from Form 4136 is transcribed in Field 05FUE from the following lines:
 - TY21 and later - line 12, Schedule 3, Form 1040-NR
 - TY20 - line 11, Schedule 3, Form 1040-NR
 - TY19 - line 68, Form 1040-NR
- (2) Refer to EC 356 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.36
(01-01-2023)

**Field 05RIC Form 2439
Regulated Investment
Company Credit**

- (1) Form 2439 Regulated Investment Company Credit is transcribed in Field 05RIC from the following lines:
 - TY21 and later - line 13a, Schedule 3, Form 1040-NR
 - TY20 - line 12a, Schedule 3, Form 1040-NR
 - TY19 - box a checked on line 69, Form 1040-NR
- (2) Refer to EC 358 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.37
(11-03-2022)

**Field 05EYR Credit for
Earlier Year Income
Repayment**

- (1) Credit for Earlier Year Income Repayment is transcribed in Field 05EYR from the following lines:
 - TY23 - line, 13b, Schedule 3; TY 22 - line 13d, Schedule 3, Form 1040-NR.

3.22.3.19.38
(01-01-2025)

**Field 05OTH Other
Payment or Credit
Amount**

- (1) This field is an ERS only field transcribed in Field 05OTH from the following lines:
 - TY23 and TY24 - line 13d and 13z, Schedule 3 Form 1040-NR
 - TY22 - line 13f and 13z, Schedule 3, Form 1040-NR
 - TY21 - line 13d, 13f and 13z, Schedule 3, Form 1040-NR
 - TY20 - line 12d, Schedule 3, Form 1040-NR
 - TY19 - box d checked on line 69, Form 1040-NR
- (2) Refer to EC 358 and 366 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.19.39
(01-01-2024)

**Field 05TYP Other
Payment Credit Type
Code**

- (1) This field is an ERS only field transcribed in Field 05TYP from the following lines:
 - TY21 and later - left of line 13z, Schedule 3, Form 1040-NR
 - TY20 - line 12d, Schedule 3, Form 1040-NR
 - TY19 - box d checked on line 69, Form 1040-NR
- (2) Refer to EC 358 and 366 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

Note: Other Payment or Credit Type “S” is for credits from Form 1042-S on Form 1040. See instructions in EC 366 IRM 3.22.3.264.3.4

3.22.3.19.40
(01-01-2023)

**Field 05OPR Total Other
Payments and
Refundable Credits**

- (1) Form 2439 and Other Credits is transcribed in Field 05OPR from the following lines:
 - TY21 and later - line 14, Schedule 3, Form 1040-NR
 - TY20 - line 12f, Schedule 3, Form 1040-NR
 - TY19 - line 69, Form 1040-NR
- (2) Refer to EC 358 and 366 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.20
(01-01-2015)

**Section 06 - Direct
Deposit Information (EC
138 and 139)**

- (1) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions**, for screen displays, invalid conditions and correction procedures. This section is valid for all forms.

3.22.3.21
(01-01-2015)

**Section 07 -
Data-Itemized
Deductions**

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 07 invalid conditions.

3.22.3.21.1
(11-08-2021)

**Error Record
Format-Section 07**

- (1) The following fields are displayed for Section 07 on Form 1040-NR:

Form 1040-NR	Field Title
0701A	State and Local Income Tax
0702	Cash Contributions
0703	Other Contributions
0704	Carryover Contributions
0705	Total Contributions
0706	Total Casualty/Theft Loss
0707	Other Miscellaneous Deductions
0708	Total Itemized Deductions

Form 1040-NR	Field Title
0708V	Total Itemized Deduction Verified

3.22.3.21.2
(11-27-2020)

**General Correction
Procedures - Itemized
Deductions**

- (1) When processing a dual-status return and Itemized Deductions are claimed on Schedule A Form 1040 that do not have a corresponding line on Schedule A of Form 1040-NR, enter the amount(s) in Field 0707.

3.22.3.21.2.1
(11-27-2020)

**Form 1040-NR - General
Instructions for Itemized
Deductions**

- (1) On Form 1040-NR, the taxpayer can itemize deductions against income reported as Effectively Connected Income only.
- (2) TY19 and prior, on MeF Form 1040-NR, Schedule A is displayed as page 3 of the Form 1040-NR and isn't listed as a separate schedule in the MeF Return Request and Display. Scroll through the pages of the Form 1040-NR to find Schedule A.

3.22.3.21.2.2
(01-01-2015)

**Form 1040 - General
Instructions for Itemized
Deductions with IRC 933**

- (1) Taxpayers who **exclude income** from Puerto Rican sources under IRC 933 may only claim the portion of itemized deduction that is related to the income that is taxable on Form 1040.

3.22.3.21.2.3
(11-27-2020)

**Dual-status - General
Instructions for Itemized
Deductions**

- (1) Dual-status taxpayers **are not entitled** to the standard deduction.
- (2) Deductions claimed on Schedule A, Form 1040 and statement attached to the Form 1040-NR controlling return will be combined with Form 1040-NR, Schedule A deductions. Those fields not applicable to Form 1040-NR should be combined and entered in Field 0707.
- (3) If Form 1040 is the controlling return, Code & Edit edits CCC "Y" on the return to force the return to ERS for review. ERS enters "1" in Field 07IEI to assure that the standard deduction isn't used. See the instructions in EC 260 at IRM 3.22.3.193.3.

3.22.3.21.3
(01-01-2019)

**Field 0701A - State and
Local Income Taxes
Deduction Form
1040-NR**

- (1) Field 0701A is transcribed from line 1a, Form 1040-NR, Schedule A.

3.22.3.21.4
(01-01-2015)

**Field 0702 - Cash
Contributions**

- (1) Field 0702 is transcribed from line 2, Form 1040-NR, Schedule A.

- 3.22.3.21.5
(01-01-2015)
Fields 0703/0704 - Other Contributions/Carry-Over Contributions
- (1) Field 0703 is transcribed from line 03, Form 1040-NR, Schedule A for (Other than Cash) contributions.
 - (2) Field 0704 is transcribed from line 04, Form 1040-NR, Schedule A for (Carry-Over from Prior Year) contributions.

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- 3.22.3.21.6
(01-03-2017)
Field 0705 - Total Contributions
- (1) Field 0705 is transcribed from line 5, Form 1040-NR, Schedule A.

- 3.22.3.21.7
(01-01-2015)
Field 0706 - Total Casualty/Theft Loss
- (1) Field 0706 is transcribed from line 6, Form 1040-NR, Schedule A.
 - (2) Losses are allowable only for property located in the United States. A supporting Form 4684, **Casualties and Thefts**, is required.

- 3.22.3.21.8
(01-01-2019)
Field 0707 - Other Itemized Deductions
- (1) Field 0707 is transcribed from line 07, Schedule A, Form 1040-NR. This field is comparable to Field 0716 on Form 1040 Schedule A. Refer to EC 246.

- 3.22.3.21.9
(11-27-2020)
Field 0708 - Total Itemized Deductions Form 1040-NR
- (1) Field 0708 is located on line 8 of Schedule A, Form 1040-NR. Refer to EC 246 in both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

- 3.22.3.22
(01-01-2019)
Section 08 - Schedule B
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 08 screen displays, invalid conditions and correction procedures for Form 1040. The section is not valid for Form 1040-NR.

- 3.22.3.23
(01-01-2026)
Sections 09, 10 and 11 - Schedule C and Part IV Form 1040-SS
- (1) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions** for Sections 09,10 and 11 screen displays, invalid conditions and correction procedures for Form 1040, and Form 1040-NR.
 - (2) The fields for Sections 09/10/11 on Form 1040-SS are displayed in the next section. Sections 09/10/11 are transcribed but math errors are not generated. Field errors may generate if invalid characters are transcribed.

- 3.22.3.23.1
(01-01-2024)
Error Record Format - Sections 09, 10 and 11
- (1) Section 09 is displayed in the table below. Sections 10 and 11 have the same fields.

Form 1040-SS	Field name	Field Location
0901L	Gross Receipts	Line 1
0918	Office Expenses	Line 18
0925	Utilities Expense	Line 25

Form 1040-SS	Field name	Field Location
0926	Schedule C Wages	Line 26

3.22.3.24
(01-01-2015)
Section 12 - Schedule D

(1) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions** for Section 12 screen displays, invalid conditions and correction procedures for Schedule D, *Capital Gains and Losses*. The section is valid for Form 1040 and Form 1040-NR.

3.22.3.25
(01-01-2025)
Section 13 - Schedule E

(1) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions** for Section 13 screen displays, invalid conditions and correction procedures for Schedule E, *Supplemental Income and Loss*. The section is valid for Form 1040 and Form 1040-NR.

3.22.3.26
(01-01-2015)
Sections 14 and 15 - Schedule F

(1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Sections 14 and 15 screen displays, invalid conditions and correction procedures for Schedule F, *Profit or Loss From Farming*. The sections are valid for Form 1040 and Form 1040-NR.

3.22.3.27
(11-27-2020)
Section 16 - Schedule R

(1) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions** for Section 16 screen displays, invalid conditions and correction procedures for Schedule R, *Credit for the Elderly or the Disabled*. The section is valid for Form 1040 only.

3.22.3.28
(01-01-2015)
Section 17/18 - Schedule SE

(1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 17 and Section 18 screen displays, invalid conditions and correction procedures for Schedule SE, *Self-Employment Tax*.

Note: Follow the correction procedures in IRM 3.22.3 before referring to IRM 3.12.2

(2) Section 17 is Schedule SE for the primary taxpayer, and Section 18 is Schedule SE for the secondary taxpayer.

Note: For the remainder of this text Schedule SE will be referred to as Section 17; however, all correction procedures will apply equally to Sections 17 and 18.

3.22.3.28.1
(01-01-2024)
Field 1701A - Net Farm Profit/Loss

(1) This field is transcribed from line 1a and is the amount of farm income from Schedule F and/or farm partnership income (TY22 and prior from Part III, Form amount from Schedule F or from Part III, Form 1040(PR) and Form 1040-SS. #

3.22.3.28.2
(01-01-2024)
Field 1702 - Net Non-Farm Profit/Loss

(1) This field is transcribed from line 2 and is the amount of Schedule C income and/or other Non-Farm self-employment income (TY22 and prior from Part IV, enter amount from Schedule C or from Part IV, Form 1040(PR) and Form 1040-SS. #

3.22.3.28.3
(01-01-2018)
Field 17TE - Tentative Earnings

- (1) This field is transcribed from line 3 and represents the taxpayer's total of line 1a, line 1b and line 2.
- (2) If the taxpayer has entered "Exempt Notary" and an amount to the left of line 3 and has subtracted the notated amount from the total of line 1 and line 2 of Schedule SE, Code & Edit will "exclude" the "Exempt Notary" amount from the line 2 amount.

3.22.3.28.4
(01-01-2024)
Field 17MCD - SE Method Code

- (1) This code is edited by Code & Edit in the bottom center margin of Schedule SE and to the left of line 9, Form 1040(PR)/Form 1040-SS.
- (2) This field will appear invalid if transcribed as other than "1" or "2". Code "0" is also valid, but is computer-generated and cannot be transcribed.
- (3) Compare the field on the screen with the entry on the return. Correct any editing or transcription error(s). For PY23 and forward following instructions found in IRM 3.12.2. For PY22 and prior If invalid check Lines 2 or 4 in Part VII and 4b in Part V of Form 1040(PR) and Form 1040-SS and code as follows:

If	And	Then
a) Line 4 has an amount,	<ol style="list-style-type: none"> 1. Line 4 is larger than line 2, 2. Line 4b equals line 2 and line 4, 3. Line 2 is blank or zero, 	Enter 1 in Field 17MCD.
b) Line 2 or line 4 has an entry,	All conditions in (a) for Code 1 are not met,	Enter 2 in Field 17MCD.
c) You can't determine the code,		Blank Field 17MCD to generate Code 0 (zero).

3.22.3.28.5
(01-01-2015)
Field 17SEV - Self-Employment Tax Verified

- (1) This field is for ERS input only. It is used when the computer's computation is not reliable for self-employment tax.

3.22.3.29
(01-01-2015)
Section 19 - Form 1116

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 19 screen displays, invalid conditions and correction procedures for Form 1116, *Foreign Tax Credit*. The section is valid for Form 1040 and Form 1040-NR.
- (2) If Form 2555 is attached and valid make sure that the amount on line 1a, Form 1116 is different from the income being excluded on Form 2555 line 18 or 26. See IRM 3.22.3.210.2

- 3.22.3.30
(01-01-2015)
Section 20 - Schedule J
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 20 screen displays, invalid conditions and correction procedures for Schedule J, *Income Averaging for Farmers and Fishermen*. The section is valid for Form 1040, and Form 1040-NR.
- 3.22.3.31
(01-01-2015)
Section 21 - Form 2441
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 21 screen displays, invalid conditions and correction procedures for Form 2441, *Child and Dependent Care Expenses*. This section is valid for Form 1040, and Form 1040-NR.
- 3.22.3.32
(01-01-2015)
Section 22 - Form 3800
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 22 screen displays, invalid conditions and correction procedures for Form 3800, *General Business Credit*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.33
(01-01-2024)
Section 23 - Form 3800
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 23 screen display, invalid conditions and correction procedures for Form 3800, *General Business Credit*. Section 23 is valid for Form 1040 and Form 1040-NR.
- 3.22.3.34
(11-08-2021)
Sections 24 and 25 - Form 4137
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Sections 24 and 25 screen displays, invalid conditions and correction procedures for Form 4137, *Social Security and Medicare Tax on Unreported Tip Income*. Section 24 is valid for Form 1040, Form 1040-NR. Section 25 is valid for Form 1040.
- 3.22.3.35
(01-01-2015)
Section 26 - Form 4684
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 26 screen displays, invalid conditions and correction procedures for Form 4684, *Casualties and Thefts*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.36
(01-01-2015)
Section 27 - Form 4797
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 27 screen displays, invalid conditions and correction procedures for Form 4797, *Sale of Business Property*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.37
(01-01-2015)
Section 28 - Form 4972
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 28 screen displays, invalid conditions and correction procedures for Form 4972, *Tax on Lump-Sum Distributions*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.38
(01-01-2026)
Sections 29 and 30 - Form 5329 Additional Taxes on Qualified Plans (Including IRAs) and Other Favored Tax-Accounts
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Sections 29 and 30 screen displays, invalid conditions and correction procedures for Form 5329, *Additional Taxes on Qualified Plans*. Section 29 is valid for Form 1040 and Form 1040-NR. Section 30 is valid for Form 1040.

3.22.3.39
(11-27-2020)
Section 31 - Form 6198

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 31 screen displays, invalid conditions and correction procedures for Form 6198, *At-Risk Limitations*. This section is valid for Form 1040 and Form 1040-NR.

Note: Form 6198 is a valid form with Form 1040-NR, and it will be transcribed by ISRP for all tax years when it is attached to paper return whereas on MeF, Section 63 will only exist on TY20 and later returns. For TY19 and prior returns, search Form 1040-NR for an attached Form 6198 if EC 070, EC 072, EC 073, EC 202, EC 206, or EC 208 generate. If found GTSEC 31 to enter amounts in the available fields.

3.22.3.40
(01-01-2026)
**Section 32 - Form 6251
Alternative Minimum
Tax-Individuals**

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 32 screen displays, invalid conditions and correction procedures for Form 6251, *Alternative Minimum Tax*. This section is valid for Form 1040 and Form 1040-NR.

3.22.3.41
(01-01-2015)
Section 33 - Form 8615

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 33 screen displays, invalid conditions and correction procedures for Form 8615, *Tax for Certain Children Who Have Unearned Income*. This section is valid for Form 1040 and Form 1040-NR.

3.22.3.42
(01-01-2015)
**Section 34 and Section
35 - Form 2555**

- (1) Sections 34 and 35 are Form 2555, *Foreign Earned Income* for the primary (Section 34) and secondary (Section 35) taxpayer. Additional correction procedures are found in IRM 3.22.3.101 (EC 024), IRM 3.22.3.143 (EC 148), IRM 3.22.3.144 (EC 150), IRM 3.22.3.145 (EC 152), IRM 3.22.3.146 (EC 154), IRM 3.22.3.166 (EC 216), IRM 3.22.3.168 (EC 218), IRM 3.22.3.174.2.1 (EC 229), IRM 3.22.3.175 (EC 230), and IRM 3.22.3.247 (EC 334).

3.22.3.42.1
(11-03-2022)
**General Requirements
for Form 2555 (Section
34 and 35)**

- (1) A U.S. citizen or resident alien who has earned income from a foreign country or countries may have income that is deductible or excludable from U.S. income tax on Form 1040 if they have a tax home in a foreign country or countries and is:
- a. A U.S. citizen who is a bona fide resident of a foreign country or countries for an uninterrupted period (regardless of physical presence) which includes an entire taxable year and part or all of the tax year of the return or
 - b. A U.S. resident alien who is a citizen or national of a country with which the United States has an income tax treaty with an applicable nondiscrimination clause and who is a bona fide resident of a foreign country for an uninterrupted period that includes an entire taxable year and part or all of the tax year of the return or
 - c. A U.S. citizen or resident alien who has been physically present in a foreign country or countries for at least 330 days during any period of 12 consecutive months. Part of the 12-month period must fall in the tax period of the return.

Some taxpayers may exclude income that they received for services performed in the year prior to the year of the tax return. This income is included on line 45 of Form 2555 with a notation of "Exclusion of Prior Year Income", or similar. If the taxpayer is only excluding prior year income then the

bona fide residency and physical presence test dates on the Form 2555 may not include a part of the tax year of the return.

- (2) If a taxpayer left certain countries within certain dates without meeting the time requirement on Form 2555, the requirement can be waived, see IRM 3.22.3.168.2.3.1.
- (3) One Form 2555 must be provided for each taxpayer claiming the exclusion.
 - a. If pages 1 or 2 are missing, SSPND with Action Code 215 to correspond for missing pages using Form 13900 *for Letter 4087C*, and selecting paragraph O for Form 2555.
 - b. If the primary and secondary taxpayers have combined foreign earned income on one Form 2555 then SSPND 215 and correspond using Form 13900 and selecting paragraph P. If the taxpayers are a missionary team and both are included on one Form 2555 then don't correspond. Divide the income equally between the two and adjust the available fields. GT-SEC 34 (primary) or GTSEC 35 (secondary) and enter the spouse's information and portion in available fields.
 - c. If multiple Form 2555 are attached for one taxpayer then GTSEC 34 or 35 and enter the combined information in all available fields.

3.22.3.42.2
(01-01-2015)
**Field and Money
Amounts**

- (1) All fields are positive.
- (2) The money amounts are entered in DOLLARS ONLY.
- (3) The first Form 2555 is Section 34 for the primary taxpayer and the second Form 2555 is Section 35 for the secondary taxpayer.

Note: For the remainder of this text Form 2555 will be referred to as Section 34; however, all correction procedures will apply equally to Sections 34 and 35.

3.22.3.42.3
(01-07-2013)
**Error Record Format -
Section 34/35**

- (1) Section 34 and Section 35 consists of the following fields:

Form 2555	Field Title
34POD	Post of Duty Code
34BD1	Beginning Date Bona Fide Residence
34ED1	Ending Date Bona Fide Residence
34DIN	Declaration
3414R	Number of Days in United States - Bona Fide Residence
34BD2	Beginning Date Physical Presence
34ED2	Ending Date Physical Presence
3418R	Number of Days in United States - Physical Presence
3419	Wages
3422G	Total Allowances

Form 2555	Field Title
3425	Meals and Lodging
3433	Housing Expenses
3436	Housing Exclusion
3442	Foreign Earned Income Exclusion
3445	Total Foreign Income/Housing Exclusion
3450	Housing Deduction

3.22.3.42.4
(01-01-2015)

Correction Procedures

- (1) The following describes correction procedures for Section 34 and Section 35.

3.22.3.42.5
(01-01-2023)

Field 34POD Post of Duty Code

- (1) Code & Edit will edit this code to the top center margin and it will be present on all Form 2555. See **IRM 3.22.3.102.3 EC 025**.

3.22.3.42.6
(01-01-2019)

Field 34BD1 Beginning Date Bona Fide Residence

- (1) This field is transcribed in **YYYYMM** format from Line 10, Part II (Form 2555).
- (2) **See EC 148, EC 150 and EC 152** correction procedures.
- (3) Returns being filed electronically with Form 2555 may have missing or invalid dates in the four fields associated with that information, 34BD1, 34ED1, 34BD2, and 34ED2. Due to a programming problem the associated error codes, 148, 150 and 152 are not generating. As such, all Form 1040 returns that have a Form 2555 attached must have Section 34/35 examined to determine if date information is entered. If there are no dates or if there are invalid dates review the tax return. If valid dates are found enter in appropriate fields. If valid dates are not available, DLSEC 34/35 and assign the appropriate TPNC when EC 218 generates.

3.22.3.42.7
(01-01-2023)

Field 34ED1 Ending Date Bona Fide Residence

- (1) This field is transcribed in **YYYYMM** format from Line 10, Part II (Form 2555).
- (2) The ending date must be at least 365 days later than the beginning date and part of these days must fall within the tax year of the return. **See EC 148, EC 150 and EC 152** for correction procedures.

Caution: If the taxpayer enters an ending date beyond the received date of the return, enter the received date as the ending date.

- (3) Returns being filed electronically with Form 2555 may have missing or invalid dates in the 4 fields associated with that information, 34BD1, 34ED1, 34BD2, and 34ED2. Due to a programming problem, the associated error codes, 148, 150 and 152 are not generating. As such, all Form 1040 returns that have a Form 2555 attached must have Section 34/35 examined to determine if date information is entered. If there are no dates or if there are invalid dates

research EUP. If valid dates are found enter in appropriate fields. If valid dates are not available DLSEC 34/35 and assign the appropriate TPNC when EC 218 generates.

3.22.3.42.8

(01-01-2015)

Field 34DIN Declaration Indicator

- (1) This field is transcribed from the right margin of line 13b, Part II.
- (2) Field 34DIN can be blank or "4".
- (3) Code & Edit will edit "4" if any of the following boxes are checked:
 - a. Line 13(a) - "YES" box checked
 - b. Line 13(b) - "NO" box checked
 - c. Line 15(c) - "YES" box checked
 - d. Line 15(d) - "YES" box checked
 - e. If the above boxes are not checked delete the entry.

Caution: An entry in Field 34DIN is often a transcription error, where Integrated Submission and Remittance Processing System (ISRP) should have picked up Field 3414R. GTSEC 34 and enter in Field 3414R if necessary.

3.22.3.42.9

(01-01-2023)

Field 3414R Number of Days in United States on Business (Bona Fide Residence)

- (1) Total number of days is edited by Code & Edit and transcribed from the margin to the right of line 14 (Form 2555).
- (2) **Valid** numbers are 001 through 366. If invalid, verify the taxpayer's entry and overlay the screen display with the correct number (Field 3414/3514 must have 3 positions).

3.22.3.42.10

(01-01-2023)

Field 34BD2 Beginning Date Physical Presence

- (1) This field is transcribed in **YYYYMM** format from Line 16, Part III (Form 2555).
- (2) When qualifying the taxpayer for physical presence test, the taxpayer must be physically present between 330 - 364 days. The qualifying period does not have to be a calendar year, it may cover parts of two years, however, part of the qualifying period must be in the current year of the return. **Refer to EC 148, EC 150 and EC 152** for correction procedures.

3.22.3.42.11

(01-01-2023)

Field 34ED2 Ending Date Physical Presence

- (1) This field is transcribed in **YYYYMM** format from Line 16, Part III (Form 2555).
- (2) The ending date must be at least 330 days later than the beginning date and part of these days must fall within the tax year of the return. **EC 148, EC 150 and EC 152** for correction procedures.

Note: Part of the 12-month period must fall in the tax period of the return.

3.22.3.42.12

(01-01-2020)

Field 3418R Number of Days in United States on Business (Physical Presence)

- (1) The number of days is edited by Code & Edit and transcribed from the margin to the right of line 18.
- (2) Valid numbers are 001 through 366.
- (3) If invalid, verify the taxpayer's entry and overlay the screen display with the correct number.

3.22.3.42.13
(01-01-2025)
Field 3419 Form 2555

- (1) This amount is transcribed from Line 19 (Form 2555).

3.22.3.42.14
(01-01-2015)
Field 3422G Total Allowance

#

3.22.3.42.15
(01-01-2015)
Field 3425 Meals and Lodging

#

3.22.3.42.16
(01-01-2015)
Field 3433 Housing Expenses

- (2) If blank, enter the smaller of line 28 or 36, Form 2555.

#

3.22.3.42.17
(11-27-2020)
Field 3436 Housing Exclusion

- (1) This amount is transcribed from line 36, Form 2555
- (2) Qualified individuals may separately elect to claim the housing exclusion or the housing deduction, in addition to the foreign earned income exclusion. The housing exclusion applies only to amounts considered paid for with employer-provided amounts. The housing deduction applies only to amounts paid for with self-employment earnings.
- (3) The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) made the following changes to Section 911 which are effective for tax periods beginning on or after January 1, 2006.

3.22.3.42.18
(01-01-2023)
Field 3442 Foreign Earned Income Exclusion

- (1) This amount is transcribed from Line 42 (Form 2555).
- (2) If Field 3442 or 3542 is greater than the maximum exclusion amount, Error Code 154 will generate.
- (3) If the sum of Fields 3442 or 3542 is greater than the sum of Wages, Schedule C Profit Loss Computer (Section 09/10/11), Nonpassive Income Partnership/S Corporation Amount (Field 1329K), Nonpassive Loss Partnership/S Corporation Amount (Field 1329L), and Schedule F Profit Loss Computer (Section 14/15), Error Code 156 will generate.

3.22.3.42.19
(01-01-2023)
Field 3445 Housing Exclusion

- (1) This amount is transcribed from Line 45 (Form 2555).

3.22.3.42.20
(01-01-2019)
Field 3450 Housing Deduction

- (2) If blank, compute amount by adding lines 48 and 49 together and enter in Field 3450. Refer to IRM 3.22.3.174.2.1, *Correction Procedures EC 229*.

#

#

Note: The taxpayer may claim a one-year carryover Housing Deduction.

- 3.22.3.43
(11-13-2025)
Section 36 - Form 8283
- (1) Form 8283, Noncash Charitable Contributions, is used to claim a deduction for a charitable contribution of property.
 - (2) Refer to IRM 3.12.2, **Individual Master File Error Resolution General Instructions**, for Section 36 screen displays, invalid conditions and correction procedures for Form 8283, **Noncash Charitable Contributions**. This section is valid for Form 1040 and Form 1040-NR
- 3.22.3.44
(01-01-2015)
Section 37 - Form 4835
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 37 screen displays, invalid conditions and correction procedures for Form 4835, *Farm Rental Income and Expenses*. This section is valid for Form 1040 and Form 1040-NR
- 3.22.3.45
(01-01-2015)
Section 38 - Form 8839
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 38 screen displays, invalid conditions and correction procedures for Form 8839, *Qualified Adoption Expenses*. This section is valid for Form 1040 and Form 1040-NR
- 3.22.3.46
(01-01-2015)
Section 39 - Form 8853
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 39 screen displays, invalid conditions and correction procedures for Form 8853, *Archer MSAs and Long-Term Care Insurance Contracts*. This section is valid for Form 1040 and Form 1040-NR
- 3.22.3.47
(01-01-2015)
Sections 40, 41 and 42 - Form 8814
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Sections 40, 41 and 42 screen displays, invalid conditions and correction procedures for Form 8814, *Parents' Election to Report Child's Interest and Dividends*. These sections are valid for Form 1040 and Form 1040-NR.
- 3.22.3.48
(11-27-2020)
Section 43 - Schedule EIC
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 43 screen displays, invalid conditions and correction procedures for Schedule EIC, *Earned Income Credit*. This section is valid for Form 1040.
- 3.22.3.49
(01-01-2024)
Sections 44 and 45 - Schedule H
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Sections 44 and 45 screen displays, invalid conditions and correction procedures for Schedule H, *Household Employment Taxes*. Section 44 is valid for Form 1040, Form 1040-NR, and Form 1040-SS. Section 45 is valid for Form 1040, and Form 1040-SS
- 3.22.3.50
(11-27-2020)
Section 46 - Schedule NEC
- (1) Section 46 contains Data from Schedule NEC, *Tax on Income Not Effectively Connected With a U.S. Trade or Business*, Form 1040-NR.
 - (2) With the redesign of Form 1040-NR for TY20, Schedule NEC is removed from Form 1040-NR and will be filed as a separate schedule. TY19 and prior, Schedule NEC was page 4, part of Form 1040-NR.

3.22.3.50.1
(11-27-2020)

General Information

- (1) The taxpayer uses Schedule NEC, of Form 1040-NR, to compute tax on Income not effectively connected with a U.S. trade or business.
- (2) Types Schedule NEC income include:
 - Dividends paid by U.S. or foreign corporations.
 - Dividend equivalent payments received with respect to IRC 871(m) transactions.
 - Interest paid by foreign corporation, mortgage or other types.
 - Industrial royalties (patent, trademarks, etc.).
 - Motion pictures or TV copyright royalties.
 - Other royalties (copyrights, recording, publishing, etc.)
 - Real property income and natural resource royalties.
 - Pensions and annuities.
 - Social security benefits.
 - Gains (include capital gain from line 18 below).
 - Gambling winnings
- (3) The tax on income not effectively connected with a U.S. trade or business is entered on line 15, Schedule NEC and transferred to page 2, line 23a, of Form 1040-NR (TY19, line 54, of Form 1040-NR).

3.22.3.50.2
(01-01-2023)

Error Record Format Section 46

- (1) Section 46 contains the following Fields

Form 1040-NR	Field Title
4613A	10 percent Tax Rate Total Income
4613B	15 percent Tax Rate Total Income
4613C	30 percent Tax Rate Total Income
46TR1	Tax Rate Income Taxpayer Percentage 1
46TR2	Tax Rate Income Taxpayer Percentage 2
46131	XX percent Tax Rate Total Income
46132	YY percent Tax Rate Total Income
46OM1	Effectively Connected Income First Year Election
46OM2	Effectively Connected Income Continuing Election Indicator

3.22.3.50.3
(04-07-2016)

Field 46TR1 Tax Rate Income Taxpayer Percentage

- (1) This field is transcribed from Column (d) 1 as a percentage using three digits.
Caution: If there are only two digits, the transcriber will enter a zero in the first position; only one digit, the transcriber will enter zeroes in the first two positions.
- (2) The taxpayer is allowed to enter a specified percentage under the appropriate tax rate.
- (3) Code & Edit should always edit this field using three digits:

If the taxpayer enters	Then Code & Edit will Edit
9 percent	090
20 percent	200
27.5 percent	275

- (4) See EC 311 at IRM 3.22.3.233.3 for correction procedures.

3.22.3.50.4
(04-07-2016)
**Field 46TR2 Tax Rate
Income Taxpayer
Percentage**

- (1) This field is transcribed from Column (d) 2 as a percentage using three digits.

Caution: If there are only two digits, the transcriber will enter a zero in the first position; only one digit, the transcriber will enter zeroes in the first two positions.

- (2) The taxpayer is allowed to enter a specified percentage under the appropriate tax rate.
- (3) Code & Edit should always edit this field using three digits:

If the taxpayer enters	Then Code & Edit will edit
9 percent	090
20 percent	200
27.5 percent	275

- (4) See EC 311 at IRM 3.22.3.233.3 for correction procedures.

3.22.3.50.5
(11-27-2020)
**Field 4613A - 10 Percent
Tax Rate Total Income**

- (1) This field is transcribed from line 13, Column (a).

3.22.3.50.6
(11-27-2020)
**Field 4613B 15 Percent
Tax Rate Total Income**

- (1) This field is transcribed from line 13, Column (b).

3.22.3.50.7
(11-27-2020)
**Field 4613C Percent Tax
Rate Total Income**

- (1) This field is transcribed from line 13, Column (c).

3.22.3.50.8
(11-27-2020)
**Field 46131 XX Percent
Tax Rate Total Income**

- (1) This field is transcribed from line 13, Column (d) 1.

3.22.3.50.9

(11-27-2020)

**Field 46132 YY Percent
Tax Rate Total Income**

- (1) This field is transcribed from line 13, Column (d) 2.

3.22.3.50.10

(11-03-2022)

**Field 46OM1 Effectively
Connected Income First
Year Election Indicator**

- (1) This field is transcribed from line M1, Schedule OI, Form 1040-NR.
- (2) This field is 1 position in length and valid values are 0 (box is not checked) and 1 (box is checked).

3.22.3.50.11

(11-03-2022)

**Field 46OM2 Effectively
Connected Income
Continuing Election
Indicator**

- (1) This field is transcribed from line M2, Schedule OI, Form 1040-NR.
- (2) This field is 1 position in length and valid values are 0 (box is not checked) and 1 (box is checked).

3.22.3.51

(01-01-2025)

**Section 47 - Schedule
8812 and Part II, Form
1040-SS, Refundable
Child Tax Credit**

- (1) Schedule 8812, **Credits for Qualifying Children and Other Dependents**, is used on Form 1040-NR to claim refundable Child Tax Credit or additional Child Tax Credit. For TY 2012 through TY 2017, taxpayers used Part I of Schedule 8812 to indicate whether their children met the physical presence test for this credit. In PY21, the ERS only fields for the physical presence test are deleted. Examiners will manually check for the physical presence test when EC 290 or 344 displays. Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, invalid conditions and correction procedures for the fields on Schedule 8812.
- (2) Part II, Form 1040-SS/SS(SP) is used to claim the Additional Child Tax Credit (Refundable Child Tax Credit for TY21) by bona fide residents of Puerto Rico. Section 47 has two transcribed fields for Part II.

3.22.3.51.1

(01-01-2026)

**Error Record Format -
Section 47**

- (1) Section 47 contains the following fields.

Form 1040-NR	Form 1040-SS (sp)/SS	Field Title	Field Location on Form
03OEI		Additional Child Tax Credit Opt out Election Indicator	Checkbox on line 15
47EI		Schedule 8812 Earned Income	Line 18a
47NCP		Non-Taxable Combat Pay	Line 18b Schedule 8812
	47PRI	Income From Puerto Rico Amount	Part II, line 3, Form 1040- SS/SS (sp)

Form 1040-NR	Form 1040-SS (sp)/SS	Field Title	Field Location on Form
47SSM	47SSM(TY20 and prior and TY22 and later)	Total Social Security and Medicare Withheld Amount	<ul style="list-style-type: none"> Line 21, Schedule 8812 Part II, Line 13f (PY22 and prior Part II, line 2,) Form 1040-SS/PR

3.22.3.51.2
(01-01-2025)

Additional Child Tax Credit/Refundable Child Tax Credit- Puerto Rico

- (1) Taxpayers filing Form 1040 and Form 1040-NR do **NOT** need to have 3 qualifying children regardless of the address shown on their return. If it appears the
- (2) For TY20 and prior **ONLY** taxpayers filing Form 1040-SS or Form 1040-PR must have 3 or more qualifying children to qualify for Additional Child Tax Credit.
- (3) For TY 21 and TY22 taxpayers filing Form 1040-SS or Form 1040(PR) can claim refundable Child Tax Credit with 1 or more qualifying children.
- (4) For TY 23 and later taxpayers filing Form 1040-SS or Form 1040-SS (sp) can claim additional Child Tax Credit with 1 or more qualifying children.

#

3.22.3.51.3
(01-01-2026)

Field 47PRI - Puerto Rico Sourced Income (Form 1040-SS Only)

- (1) This field is transcribed from Part II, line 3 (TY22 and prior - Part II, line 1), on Form 1040-SS. It reports income derived from sources within Puerto Rico, which for Form 1040-SS filers, is their modified adjusted gross income. For TY20 and prior Field 47PRI is used to phase out the taxpayer's Additional Child Tax Credit (ACTC). Instructions for this field are in EC 344 at IRM 3.22.3.253.2.
- (2) For TY21 Part II, line 1 on Form 1040-SS and Form 1040(PR) is the taxpayers Modified adjusted gross income and is used for the refundable Child Tax Credit. Instructions for this field are in EC 345.

3.22.3.51.4
(01-01-2026)

Field 47SSM - Total Social Security and Medicare Tax Withheld (Form 1040-SS Only)

- (1) This field is transcribed from Part II, line 13f (TY22 and prior - Part II, line 2). This line is reserved for TY21 on Form 1040(PR) and therefore not used for TY21.

- 3.22.3.52
(01-01-2016)
Sections 48 and 49 - Form 8606
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Sections 48 and 49 screen displays, invalid conditions and correction procedures for Form 8606, *Nondeductible IRAs*. Section 48 is valid for Form 1040 and Form 1040-NR. Section 49 is valid for Form 1040.
- 3.22.3.53
(01-01-2026)
Section 50 - Form 8863
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 50 screen displays, invalid conditions and correction procedures for Form 8863, *Education Credits (American Opportunity and Lifetime Learning Credits)*.
- (2) This section is not valid for Form 1040-NR. A nonresident alien is not eligible for education credit. See Form 1040-NR instructions at IRM 3.22.3.225.1, **Error Code 299 - Form 1040-NR**.
- (3) This section is not valid for Form 1040-SS. See instructions at IRM 3.22.3.264.5.1, **EC 366 - Total Payments**
- 3.22.3.54
(01-01-2015)
Section 51 - Form 4952
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 51 screen displays, invalid conditions and correction procedures for Form 4952, *Investment Interest Expense Deduction*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.55
(01-01-2015)
Sections 52 and 53 - Form 8889
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Sections 52 and 53 screen displays, invalid conditions and correction procedures for Form 8889, *Health Savings Account*. Section 52 is valid for Form 1040 and Form 1040-NR. Section 53 is valid for Form 1040.
- 3.22.3.56
(01-01-2015)
Section 54 - Form 8880
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 54 screen displays, invalid conditions and correction procedures for Form 8880, *Credit for Qualified Retirement Savings Contributions*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.57
(01-01-2020)
Section 55 - Form 8995/Form 8995-A
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 55 screen displays, invalid conditions and correction procedures for Form 8995, *Qualified Business Income Deduction Simplified Computation* and Form 8995-A, *Qualified Business Income Deduction*. This section is valid for Form 1040 and Form 1040-NR
- 3.22.3.58
(01-01-2015)
Section 56 - Form 8888
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 56 screen displays, invalid conditions and correction procedures for Form 8888, *Allocation of Refund*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.59
(02-04-2020)
Section 57 - Form 8978
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 57 screen displays, invalid conditions and correction procedures for Form 8978, *Partner's Additional Reporting Year Tax*. This section is valid for Form 1040 and Form 1040-NR

- 3.22.3.60
(01-01-2015)
**Section 58- Form 5405
First Time Home Buyer
Credit/Repayment**
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 58 screen displays, invalid conditions and correction procedures for Form 5405, *First Time Home Buyer Credit/Repayment*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.61
(01-01-2026)
**Sections 61 and 62 -
Form 8919**
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for sections 61 and 62 screen displays, invalid conditions and correction procedures for Form 8919, *Uncollected Social Security and Medicare Tax on Wages*. Section 61 is valid for Form 1040, Form 1040-NR, and Form 1040-SS. Section 62 is valid for Form 1040 and Form 1040-SS.
- 3.22.3.62
(11-27-2020)
Section 63 - Form 8958
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for section 63 screen displays, invalid conditions and correction procedures for Form 8958, *Allocation of Tax Amounts Between Certain Individuals in Community Property States*.
- 3.22.3.63
(01-03-2022)
Section 64 - Reserved
- (1) Form 461, *Limitation on Business Losses*, is used to calculate the limitation on trade or business losses as defined by IRC 461(1). Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for section 64 screen displays, invalid conditions and correction procedures for Form 461.
- 3.22.3.64
(07-17-2015)
**Section 65 and 66 -
Form 8941**
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 65 and Section 66 screen displays, invalid conditions and correction procedures for Form 8941, *Credit for Small Employer Health Insurance Premiums*. Section 65 is valid for Form 1040 and Form 1040-NR. Section 66 is valid for Form 1040 only.
- 3.22.3.65
(01-01-2020)
Section 67 - Form 6252
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 67 screen displays, invalid conditions and correction procedures for Form 6252, *Installment Sale Income*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.66
(01-01-2024)
**Section 69 - Form 8936
and Form 8936 Schedule
A**
- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 69 screen displays, invalid conditions and correction procedures for Form 8936, *New Clean Vehicle Credit Amount and Previously Owned Clean Vehicles Credit Amount*. This section is valid for Form 1040 and Form 1040-NR.
- 3.22.3.67
(01-01-2026)
Section 70 - Form 8867
- (1) Form 8867, *Paid Preparer's Due Diligence Checklist*, is transcribed as Section 70 for Form 1040-NR, and Form 1040-SS. Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 70 invalid conditions and correction procedures. This section is valid only for TY 2016 and later for Form 1040-NR, and Form 1040-SS, and the questions related to Head of Household, Earned Income Credit, and American Opportunity Credit don't apply to these forms.

3.22.3.67.1
(01-01-2026)

**Error Record Format,
Section 70**

- (1) Section 70 consists of the following fields:

Form 1040-NR	1040-SS	Field Name	Field Location on Form 8867
70COD	70COD	CTC ACTC ODC Claimed Indicator	Checkbox
7015	7015	Form 8867 Answers Certifi- cation Code	line 15

3.22.3.68
(01-01-2026)

Section 71 - Form 8959

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 71*, for screen displays, invalid conditions and correction procedures for Form 8959, *Additional Medicare Tax*. This section is valid for Form 1040, Form 1040-NR, and Form 1040-SS.

3.22.3.68.1
(01-01-2026)

**Error Record Format -
Section 71**

- (1) Section 71 consists of the following fields:

Form 1040-NR	Form-SS	Field Title
7101	7101	Medicare Wages
7102	7102	Unreported Tips Form 4137
7103	7103	Wages Form 8919
7107	7107	Additional Medicare Tax on Wages
7108	7108	Self-Employment Income
7113	7113	Additional Medicare Tax on SE Income
7114	7114	Railroad Retirement Compensation
7117	7117	Tier I Additional Medicare Tax
7118	7118	Form 8959 Additional Medicare Tax Taxpayer Amount
7118V	7118V	Additional Medicare Tax Verified
7119	7119	Medicare tax Withheld

Form 1040-NR	Form-SS	Field Title
7123	7123	Tier 1 Additional Medicare Tax Box 14 Form W-2
7124	7124	Total Additional Medicare Tax Withholding

3.22.3.69
(01-01-2026)
Section 72 - Form 8960
Net Investment Income
Tax-Individuals, Estates,
and Trusts

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 72*, for screen displays, invalid conditions and correction procedures for Form 8960, *Net Investment Income Tax - Individuals, Estates, and Trusts*. This section is valid for Form 1040 and Form 1040-NR.

3.22.3.69.1
(01-01-2015)
Error Record Format -
Section 72

- (1) Section 72 consists of the following fields:

Form 1040-NR	Field Title
72IND	Investment Income Checkbox Indicator
7201	Taxable Interest
7202	Ordinary Dividends
7203	Annuities
7204A	Rents Royalties Partnerships
7204B	Adjustment for Net Income or Loss
7205A	Net Gains from Disposition of Property
7205B	Net Gain or Loss
7205C	Adjustment from Disposition of Partnership Interest S Corp
7206	Changes to CFCs and PFICs
7207	Other Modifications to Investment Income
7208	Total Investment Income
7209A	Investment Interest Expense
7209B	State Income Tax
7209C	Miscellaneous Investment Expenses
7210	Additional Modifications
7211	Total Deductions and Modifications
7213	Modified Adjusted Gross Income
7216	Taxable Investment Income

Form 1040-NR	Field Title
7217	Net Investment Income Tax
7217V	Net Investment Income Tax Verified (ERS only)

3.22.3.70
(01-01-2016)

**Section 73 - Form 8962,
Page 1**

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 73*, for screen display, invalid conditions and correction procedures for Form 8962, *Premium Tax Credit*.
- (2) Section 73 represents page 1 of Form 8962.

3.22.3.70.1
(01-01-2016)

**Error Record Format -
Section 73**

- (1) Section 73 consists of the following fields:

Form 1040- NR	Field Title
73MFS	Married Filing Separate PTC Exception Checkbox Indicator
7302B	Dependents Modified AGI
73SOR	Federal Poverty Level State of Residence Checkbox
7308B	Monthly Contribution for Health Care
7311A	Annual Premium Amount
7311B	Annual Premium of SLCSP Amount
7311F	Annual Advance PTC
7312A	January Monthly Premium Amount
7312B	January Monthly Premium of SLCSP Amount
7312F	January Monthly Advance PTC
7313A	February Monthly Premium Amount
7313B	February Monthly Premium of SLCSP Amount
7313F	February Monthly Advance PTC
7314A	March Monthly Premium Amount
7314B	March Monthly Premium of SLCSP Amount
7314F	March Monthly Advance PTC
7315A	April Monthly Premium Amount
7315B	April Monthly Premium of SLCSP Amount
7315F	April Monthly Advance PTC
7316A	May Monthly Premium Amount

Form 1040- NR	Field Title
7316B	May Monthly Premium of SLCSP Amount
7316F	May Monthly Advance PTC
7317A	June Monthly Premium Amount
7317B	June Monthly Premium of SLCSP Amount
7317F	June Monthly Advance PTC
7318A	July Monthly Premium Amount
7318B	July Monthly Premium of SLCSP Amount
7318F	July Monthly Advance PTC
7319A	August Monthly Premium Amount
7319B	August Monthly Premium of SLCSP Amount
7319F	August Monthly Advance PTC
7320A	September Monthly Premium Amount
7320B	September Monthly Premium of SLCSP Amount
7320F	September Monthly Advance PTC
7321A	October Monthly Premium Amount
7321B	October Monthly Premium of SLCSP Amount
7321F	October Monthly Advance PTC
7322A	November Monthly Premium Amount
7322B	November Monthly Premium of SLCSP Amount
7322F	November Monthly Advance PTC
7323A	December Monthly Premium Amount
7323B	December Monthly Premium of SLCSP Amount
7323F	December Monthly Advance PTC
7324	Total Premium Tax Credit
7325	Advance Premium Tax Credit

3.22.3.71
(01-01-2015)
Section 74 - Form 8962,
Page 2

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 74*, for screen display, invalid conditions, and correction procedures for Form 8962, *Premium Tax Credit*.
- (2) Section 74 represents page 2 of Form 8962

3.22.3.71.1
(01-02-2015)

**Error Record Format -
Section 74**

(1) Section 74 consists of the following fields:

Form 1040- NR	Field Title
7430A	Policy Number 1
7430B	SSN of Filer Sharing Allocation 1
7430C	Allocation Start Month 1
7430D	Allocation Stop Month 1
7430E	Premium Percentage 1
7430F	SLCSP Percentage 1
7430G	Advance PTC Percentage 1
7431A	Policy Number 2
7431B	SSN of Filer Sharing Allocation 2
7431C	Allocation Start Month 2
7431D	Allocation Stop Month 2
7431E	Premium Percentage 2
7431F	SLCSP Percentage 2
7431G	Advance PTC Percentage 2
7432A	Policy Number 3
7432B	SSN of Filer Sharing Allocation 3
7432C	Allocation Start Month 3
7432D	Allocation Stop Month 3
7432E	Premium Percentage 3
7432F	SLCSP Percentage 3
7432G	Advance PTC Percentage 3
7433A	Policy Number 4
7433B	SSN of Filer Sharing Allocation 4
7433C	Allocation Start Month 4
7433D	Allocation Stop Month 4
7433E	Premium Percentage 4
7433F	SLCSP Percentage 4
7433G	Advance PTC Percentage 4
7435A	Primary Alternative Family Size
7435B	Primary Monthly Contribution

Form 1040- NR	Field Title
7435C	Primary Alternative Start Month
7435D	Primary Alternative Stop Month
7436A	Spouse Alternative Family Size
7436B	Spouse Monthly Contribution
7436C	Spouse Alternative Start Month
7436D	Spouse Alternative Stop Month

3.22.3.72
(01-01-2024)
Section 75- Form 5695

- (1) Refer to IRM 3.12.2, Individual Master File Error Resolution General Instructions for Section 75 screen displays, invalid conditions and correction procedures for Form 5695, *Residential Energy Credit*. This section is valid for Form 1040 and Form 1040-NR.

3.22.3.73
(01-01-2020)
Section 76 - Form 965-A

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, for Section 76 screen displays, invalid conditions and correction procedures for Form 965-A, *Individual Report of Net 965 Tax Liability*. This section is valid for Form 1040 and Form 1040-NR

3.22.3.74
(11-27-2020)
Section 77 - Schedule LEP or Form 9000

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, Section 77, for screen display, invalid conditions, and correction procedures.

3.22.3.75
(11-08-2021)
Section 78 Form 8997 Initial and Annual Statement of Qualified Opportunity Fund (QOF) Investments

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, Section 78, for screen display, invalid conditions, and correction procedures.

3.22.3.76
(01-01-2024)
Section 79- Form 4136

- (1) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions* for Section 79 screen display, invalid conditions and correction procedures for Form 4136, *Credit for Federal Tax Paid on Fuels*. Section 79 is valid for Form 1040 and Form 1040-NR.

3.22.3.77
(11-13-2025)
Section 88 - Form 3471 Edit Sheet

- (1) Section 88 contains edited information from Form 3471, Edit Sheet.

3.22.3.77.1
(11-13-2025)

**Error Record Format -
Section 88**

- (1) Section 88 consists of the following fields:

1040-NR	1040-SS	Field Name
88CD1		Unallowable Code-1
88AM1		Unallowable Amount-1
88CD2		Unallowable Code -2
88AM2		Unallowable Amount-2
88CD3		Unallowable Code -3
88AM3		Unallowable Amount -3
88AGI		Unallowable Adjusted Gross Income
88ITM		Unallowable Itemized
88NI		Unallowable Net Income
88TXA		Unallowable Tax Adjustment
88RPD	88RPD	Correspondence Received Date
8806	8806	Late Filing Code
88PDP	88PDP	Pre-Determined Delinquency Penalty
8808		Form 4563 Indicator
88W2A		Paper ITIN Return First W-2 SSN
88W2B		Paper ITIN Return Second W-2 SSN

3.22.3.77.2
(01-01-2026)

**Form 3471 -
Unallowables on
International Tax
Returns**

- (1) Don't enter unallowable codes (UA) or unallowable amounts on any international tax returns including Form 1040, Form 1040-NR, and Form 1040-SS. Unallowable instructions in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, don't apply to any international returns. LB&I Compliance has developed other methods to select unallowable cases for review.
- (2) Delete entries if present in the following fields in Section 88: 88CD1, 88AM1, 88CD2, 88AM2, 88CD3, 88AM3, 88AGI, 88ITM, 88NI, and 88TXA.

3.22.3.77.3
(01-01-2026)

**Field 8808 Form 4563
Indicator**

- (1) **Description** -This field is edited on line 8 of Edit Sheet Form 3471.
- (2) **Invalid Condition** - Any entry other than "1".
- (3) **Correction Procedures** -
- If Form 4563 is attached to the return, Code & Edit will enter a "1". This number must be entered in Field 8808.
 - Delete an entry other than a "1", if present in this Field.
 - Field 8808 is only valid for FLC 21.

3.22.3.78
(01-01-2020)
**Section 94 - ERS Only
Verified Fields**

- (1) This Section is to store all ERS only verified fields. In tax year 2019, processing year 2020 all ERS only verified fields from Section 01, 02, 03, 04 and 05 are moved to Section 94.
- (2) Refer to IRM 3.12.2, *Individual Master File Error Resolution General Instructions, Section 94*, for screen display, invalid conditions, and correction procedures.

3.22.3.78.1
(01-01-2026)
**Error Record Format -
Section 94**

- (1) Section 94 consists of the following fields:

Form 1040-NR	Form 1040-SS	Field Title
94EXV		Exemption Code Verified
94PAV	94PAV	Primary Age Verified
94SAV	94SAV	Secondary Age Verified
94CEV	94CEV	Child Tax Credit Total Eligible Verified
94DEV		Other Dependent Credit Total Eligible Verified
94UTV	94UTV	Unallowable Tax Verified
94SEV		Deduction for SE Tax Verified
94IRV		IRA Deduction Verified
94SLV		Student Loan Interest Deduction Verified
94QBV		Qualified Business Income Deduction Verified
94INV		Taxable Income Verified
94TTV		Tentative Tax Verified
94ARV		Advance Premium Tax Credit Repayment Verified
94RTV		Retirement Savings Contribution Verified
94REV		Residential Clean Energy Credit Verified Amount
94EEV		Energy Efficient Home Improvement Credit Verified Amount
94CVV		Clean Vehicle Credit Verified Amount
94POV		Previously Owned Clean Vehicles Credit Amount
94CDV		Child Tax and Other Dependent Credit Verified

Form 1040-NR	Form 1040-SS	Field Title
94NRV		Total Statutory Credits Verified
94TXV	94TXV	Total Tax Verified
94AIV	94AIV	Additional Child Tax Credit Earned Income Verified Amount
94ACV	94ACV	Additional Child Tax Credit Verified
94RAV		Refundable Adoption Credit Verified Amount
94SLV		Student Loan Interest Deduction Verified
94PTV		Premium Tax Credit Verified
94EXV		Excess Social Security Tax Withheld Verified Amount
94OPV		Total Other Payments and Refundable Credits Verified Amount
94P2V		New Clean Vehicles Business Credit Verified Amount
94P5V		Commercial Clean Vehicle Credit Verified Amount

3.22.3.78.2
(01-01-2020)
Field 94EXV Exemption Verified

- (1) TY 2018 and later, the exemption amount is \$0. Exemption coding Field 94EXV is retained for determining family size in certain calculations.

3.22.3.78.3
(11-08-2021)
946EV Child Tax Credit Under Six Total Eligible Verified Number

- (1) This field is ERS input only. It is used to verify qualifying dependents under age 6 for Child Tax Credit. Refer to EC 290 and 345 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, as well as Field 946EV in IRM 3.12.2 Individual Master File Error Resolution General Instructions.

3.22.3.78.4
(11-08-2021)
94SEV Deduction for SE Tax Verified

- (1) This field is for ERS input only. It's used when the computer can't compute deduction of SE tax correctly.

3.22.3.78.5
(11-08-2021)
94IRV IRA Deduction Verified

- (1) This field is used by ERS on Form 1040-NR to verify the IRA deduction. Refer to EC 222 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.78.6 (11-08-2021) 94SLV Student Loan Interest Deduction Verified	(1) This field is used by ERS on Form 1040-NR to verify the Student Loan Interest deduction. Refer to EC 224 in IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.7 (01-01-2026) Field 94INV Taxable Income Verified	(1) This field is ERS input only. Refer to EC 256, and EC 265 in both IRM 3.22.3 and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.8 (11-27-2020) Field 94TTV Tentative Tax Verified	(1) This field is ERS input only. Refer to EC 265 in both IRM 3.22.3 and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.9 (11-08-2021) 94ARV Advance Premium Tax Credit Repayment Verified	(1) This field is used by ERS only. Refer to EC 190 in IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.10 (01-01-2024) 94RTV Retirement Savings Contribution Verified	(1) This field is for ERS input only. Refer to EC 286 in both IRM 3.22.3 and IR 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.11 (01-01-2020) Field 94CDV Child Tax and Other Dependent Credit Verified	(1) This field is ERS input only. Refer to EC 290 in both IRM 3.22.3. and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.12 (11-27-2020) Field 94NRV Total Statutory Credits Verified	(1) This field is ERS input only. Refer to EC 310 in both IRM 3.22.3 and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.13 (01-01-2020) Field 94TXV Total Tax Verified	(1) This field is ERS input only. Refer to EC 334 in both IRM 3.22.3 and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .
3.22.3.78.14 (11-08-2021) Field 94AIV Additional Child Tax Credit Earned income Verified Amount	(1) This field is ERS input only. Refer to EC 344 and EC 345 in both IRM 3.22.3 and IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns</i> .

3.22.3.78.15 (11-08-2021)
Field 94ACV Additional Child Tax Credit Verified

(1) This field is for ERS input only and is valid for TY98 and later. It is to be used when the computer cannot arrive at the correct Additional Child tax Credit. See **IRM 3.22.3.252 and IRM 3.22.3.253 EC 343, EC 344, and EC 345.**

3.22.3.78.16 (01-01-2020)
94PTV Premium Tax Credit Verified

(1) This field is for ERS input only and is valid for TY 2014 and later. It is to be used when the computer cannot arrive at the correct Reconciled Premium Tax Credit Amount.

3.22.3.78.17 (11-08-2021)
94RCV Refundable Child Care Credit Verified

(1) This field is for ERS input only and is valid for TY 2021. It is used when the computer cannot arrive at the correct Refundable Child Care Credit. Refer to EC 363 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*.

3.22.3.79 (01-01-2015)
Error Code 001 - End of Year Reformat

(1) Error Code 001 is an End of Year Reformat error.

(2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 001* for invalid conditions and correction procedures.

3.22.3.79.1 (01-01-2024)
Field Displayed - EC 001

(1) The following fields are displayed for EC 001.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC		Filing Status Code
01TXP	01TXP	Tax Period

3.22.3.80 (01-01-2015)
Error Code 002 - Statute of Limitations (PY)

(1) EC 002 generates when **Statute of Limitations (PY)** errors.

(2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 002*, for invalid conditions and correction procedures.

3.22.3.80.1 (01-01-2024)
Fields Displayed - EC 002

(1) These following fields are displayed for EC 002.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC		Filing Status Code
01TXP	01TXP	Tax Period
01SPC		Special Processing Code
01CCC	01CCC	Computer Condition Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FPC		Form Processing Code
01RPC	01RPC	Return Processing Code

3.22.3.81
(01-01-2015)
**Error Code 003 - Check
Digits/P-SSN**

- (1) EC 003 generates when **Check Digit/P-SSN** errors.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 003*, for invalid condition and correction procedures.

3.22.3.81.1
(01-01-2024)
**Fields Displayed - EC
003**

- (1) These following fields are displayed for EC 003.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01PNC	01PNC	Primary Name Control
01PS	01PS	Primary SSN
	01SS	Secondary SSN
01NL1	01NL1	Name line 1

3.22.3.82
(06-16-2016)
**Error Code 004 - Name
Control Mismatch/
National Accounts
Profile (NAP)**

- (1) EC 004 generates when Name Control Mismatch (NAP) errors.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 004*, for invalid conditions and correction procedures. For returns filed using the Streamlined Filing Compliance Procedures see IRM 3.22.3.82.2.

3.22.3.82.1
(01-01-2024)
**Fields Displayed - EC
004**

- (1) The following fields are displayed for EC 004.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01PNC	01PNC	Name Control
>>>>	>>>>	NAP Entity Index File (EIF) Name Control Underprint
01PS	01PS	Social Security number (SSN)
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator

1040-NR	1040-SS (sp)/1040-SS	Field Title
01NL1	01NL1	Name line 1
01NL2	01NL2	Name line 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code
01TXP	01TXP	Tax Period
01COU		Country Code
01FSC		Filing Status Code
01CCC	01CCC	Computer Condition Code
01RPC		Return Processing Code Field
01EXC		Exemption Code
94EXV		Exemption Verified Code Field
03BDR	03BDR	Balance Due/ Refund
>>>>	>>>>	Balance Due/Overpayment Computer
03BDR>	03BDR>	Balance Due/ Overpayment Taxpayer Computer

3.22.3.82.2
(06-16-2016)
**Returns Filed Using the
Streamlined Filing
Compliance Procedures
(EC 004)**

- (1) The primary taxpayer must have a valid TIN to use the Streamlined Filing Compliance Procedures, either a Social Security number (SSN) or individual taxpayer identification number (ITIN). A TIN assigned by the IRS (IRSN) is not a valid TIN. Follow the procedures for Error Code 004 at IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 004*. If a valid TIN is not found for the taxpayer, follow these procedures before entering RPC O and CCC Y:
 - a. Remove any edits of SPC "P", CCC "M", CCC "R", and CCC "P". Edit CCC "N" if required, see IRM 3.22.3.13.
 - b. After removing these codes enter RPC "O" and CCC "Y" and continue with normal processing.

3.22.3.82.3
(08-24-2018)
**Correction Procedures -
Form 1040-NR (EC 004)**

- (1) Go to the bottom of the screen and transmit.
- (2) Correct coding and transcription errors and misplaced entries in displayed fields.
- (3) Unlike Form 1040, which is filed only by individuals, Form 1040-NR is filed by individuals (IMF) and by estates and trusts (BMF). On an individual's Form 1040-NR, the "identifying number" for the filer is a SSN or ITIN. For an estate or trust, the identifying number is the estate or trust's employer identification number (EIN).

- (4) Some estate and trust Form 1040-NR are processed incorrectly as IMF returns because the returns were prepared and mailed to the Austin campus by the estate or trust with the EIN written in the format of a SSN. To ensure that the return is processed correctly, additional research is required when applying the EC 004 instructions in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 004*, to Form 1040-NR.
- (5) Research for the correct TIN on Form 1040-NR using both the SSN (xxx-xx-xxxx) and the EIN (xx-xxxxxxx) formats with command code INOLE. If the INOLE record for the EIN matches the entity of the return, then correct the TIN on the return and follow the procedures in Field 01NL1 at IRM 3.22.3.15.4 for suspending the return to Rejects for transshipment to the Kansas City Submission Processing Center (KCSPC). If not an EIN, then process as normal using the EC 004 instructions in IRM 3.12.3.

3.22.3.83
(06-16-2016)

**Error Code 005 - Primary
Name Control/TIN Match
on Invalid Side**

- (1) EC 005 generates when no account is found on the NAP.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for invalid conditions and correction procedures. For returns filed using the Streamlined Filing Compliance Procedures see IRM 3.22.3.83.2.

3.22.3.83.1
(01-01-2024)

**Fields Displayed - EC
005**

- (1) The following fields are displayed for EC 005.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01PNC	01PNC	Name Control
>>>>	>>>>	Name Control Underprint
01PS	01PS	SSN
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator
01SNC		Secondary Name Control
>>>>		Secondary NAP Name Control
01SS		Secondary TIN
01NA2>		Secondary NAP Access Indicator
01NR2>		Secondary TIN NAP EIF Response Indicator
01NL1	01NL1	Name line 1
01NL2	01NL2	Name line 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
01TXP	01TXP	Tax Period
01COU		Country Code
01FSC		Filing Status Code
01CCC	01CCC	Computer Condition Code
01RPC	01RPC	Return Processing Code
01EXC		Exemption Code
94EXV		Exemption Code Verified Field
03BDR	03BDR	Balance/Due Overpayment
>>>>	>>>>	Balance/Due Overpayment Computer
03BDR>	03BDR>	Balance/Due Refund Taxpayer Computer

3.22.3.83.2
(01-01-2020)
Returns Filed Using the Streamlined Filing Compliance Procedures (EC 005)

- (1) The primary taxpayer on a return filed using the Streamlined Filing Compliance Procedures must have a valid TIN, either a Social Security number (SSN) or individual taxpayer identification number (ITIN). A TIN assigned by the IRS (IRSN) is not a valid TIN. Follow the procedures for Error Code 005 in IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 005*. If a valid TIN is not found for the taxpayer, follow these procedures before entering RPC O and CCC Y:
 - a. Remove any edits of SPC "P", CCC "M", CCC "R", and CCC "P". Edit CCC "N" if required, see IRM 3.22.3.13.
 - b. After removing these codes enter RPC "O" and CCC "Y" and continue with normal processing.

3.22.3.84
(01-01-2015)
Error Code 006 - First-Time Filers

- (1) EC 006 generates when processing returns for first-time filers.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 006* for invalid condition and correction procedures.

3.22.3.84.1
(01-01-2024)
Fields Displayed - EC 006

- (1) The following fields are displayed for EC 006.

1040-NR	1040-SS (sp)/ 1040-SS	Field Title
CL	CL	Clear Code
01PNC	01PNC	Name Control
>>>>	>>>>	NAP EIF Name Control Underprint

1040-NR	1040-SS (sp)/ 1040-SS	Field Title
01PS	01PS	SSN
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator
01SNC		Secondary Name Control
>>>>		Secondary NAP Name Control
01SS		Secondary TIN
01NA2>		Secondary NAP Access Indicator
01NR2>		Secondary TIN NAP EIF Response Indicator
01NL1	01NL1	Name line -1
01NL2	01NL2	Name line - 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code
01TXP	01TXP	Tax Period
01COU		Country Code
01FSC		Filing Status Code
01CCC	01CCC	Computer Condition Code
01EXC		Exemption Code
94EXV		Exemption Verified Code Field

3.22.3.85
(01-01-2015)
**Error Code 007 -
Address Information
Different**

- (1) EC 007 generates when an account is present at Master File but the address information is different from the return.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 007* for invalid conditions and correction procedures.

3.22.3.85.1
(01-01-2024)
**Fields Displayed - EC
007**

- (1) The following fields are displayed for EC 007

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01PNC	01PNC	Name Control
>>>>	>>>>	Name Control Underprint

1040-NR	1040-SS (sp)/1040-SS	Field Title
01PS	01PS	SSN
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator
01SNC		Secondary Name Control
>>>>		Secondary NAP Name Control
01SS		Secondary TIN
01NA2>		Secondary NAP Access Indicator
01NR2>		Secondary TIN NAP EIF Response Indicator
01NL1	01NL1	Name Line - 1
01NL2	01NL2	Name Line - 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code
01TXP	01TXP	Tax Period
01COU		Country Code
01FSC		Filing Status Code
01CCC	01CCC	Computer Condition Code
01EXC		Exemption Code
94EXV		Exemption Code Verified Field

3.22.3.86
(01-01-2015)

**Error Code 008 - Marital
Filing Status Change**

- (1) EC 008 generates when there is a change in filing status.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 008* for invalid conditions and correction procedures.

3.22.3.86.1
(01-01-2024)

**Fields Displayed - EC
008**

- (1) The following fields are displayed for EC 008.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01PNC	01PNC	Name Control
>>>>	>>>>	Name Control Underprint
01PS	01PS	SSN

1040-NR	1040-SS (sp)/1040-SS	Field Title
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator
01SNC	01SNC	Secondary Name Control
>>>>	>>>>	Secondary NAP Name Control
01SS	01SS	Secondary TIN
01NA2>	01NA2>	NAP Access Indicator
01NR2>	01NR2>	NAP EIF Response Indicator
01NL1	01NL1	Name Line 1
01NL2	01NL2	Name Line 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code
01TXP	01TXP	Tax Period
01COU		Country Code
01FSC	01FSC	Filing Status Code
01NPF>	01NPF>	NAP Previous Filing Status
01CCC	01CCC	Computer Condition Code
01EXC		Exemption Code
94EXV		Exemption Code Verified Field

3.22.3.87
(11-08-2021)

**Error Codes 009 - Entity
Data and Check
Digit/Name Control**

- (1) EC 009 generates when there is mismatch for the check digits or name control.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 009* for invalid conditions and correction procedures.

3.22.3.87.1
(01-01-2024)

**Fields Displayed - EC
009**

- (1) The following fields are displayed for EC 009.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01PNC	01PNC	Primary Name Control
01NL1	01NL1	Name Line 1
01NL2	01NL2	Name Line 2
01ADD	01ADD	Address

1040-NR	1040-SS (sp)/1040-SS	Field Title
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code

3.22.3.88
(01-01-2015)

**Error Code 010 - Missing
Spouse or Dependent
TIN**

- (1) EC 010 generates when a secondary or dependent TIN is missing, or the TIN of a qualifying person for Child and Dependent Care Credit or EIC is missing.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 010* for invalid conditions.

3.22.3.88.1
(01-01-2026)

**Fields Displayed - EC
010**

- (1) The following fields are displayed for EC 010.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01EXC	Exemption Code
94EXV	Exemption Code Verified
01RPC	Return Processing Code
01SPC	Special Processing Code
01SNC	Secondary Name Control
>>>>>	Secondary NAP Name Control
01SS	Secondary TIN
01NA2>	Secondary NAP Access Indicator
01NR2>	Secondary TIN NAP EIF Response Indicator
02DS1	Dependent 1 SSN
02DN1	Dependent 1 Name Control
>>>>>	Dependent 1 NAP Name Control
02NP1>	Dependent 1 NAP Access Indicator
02DR1>	Dependent 1 NAP EIF Response Indicator
02DS2	Dependent 2 SSN
02DN2	Dependent 2 Name Control
>>>>>	Dependent 2 NAP Name Control
02NP2>	Dependent 2 NAP Access Indicator
02DR2>	Dependent 2 TIN NAP EIF Response Indicator

1040-NR	Field Title
02DS3	Dependent 3 SSN
02DN3	Dependent 3 Name Control
>>>>>	Dependent 3 NAP Name Control
02NP3>	Dependent 3 NAP Access Indicator
02DR3>	Dependent 3 TIN NAP EIF Response Indicator
02DS4	Dependent 4 SSN
02DN4	Dependent 4 Name Control
>>>>>	Dependent 4 NAP Name Control
02NP4>	Dependent 4 NAP Access Indicator
02DR4>	Dependent 4 TIN NAP EIF Response Indicator
02DTR	Dependent SSNs Not Required
21CN1	Dependent 1 Child Care Name Control
>>>>>	Dependent 1 Child Care NAP name Control
21NA1>	Dependent 1 Child Care NAP Access Indicator
21NR1>	Dependent 1 Child Care NAP EIF Response Indicator
21DS1	Dependent 1 Child Care SSN
21CN2	Dependent 2 Child Care Name Control
>>>>>	Dependent 2 Child Care NAP Name Control
21NA2>	Dependent 2 Child Care NAP Access Indicator
21NR2>	Dependent 2 Child Care NAP EIF Response Indicator
21DS2	Dependent 2 Child Care SSN
21CSR	Dependent Child Care SSN Requirement

3.22.3.88.2
(01-14-2020)

**Returns Filed Using the
Streamlined Filing
Compliance Procedures**

- (1) The secondary taxpayer must have a valid TIN to use the Streamlined Filing Compliance Procedures, either a Social Security number (SSN) or individual taxpayer identification number (ITIN). A TIN assigned by the IRS (IRSIN) is not a valid TIN. If a valid TIN is not found for the secondary taxpayer, follow these procedures before entering 94EXV.
 - a. Remove any edits of SPC "P", CCC "M", CCC "R", and CCC "P". Enter CCC "N" if required, see IRM 3.22.3.13.
 - b. After removing these codes, enter 94EXV as necessary and continue with normal processing.

3.22.3.88.3
(01-01-2024)

**Correction Procedures -
EC 010**

- (1) EC 010 generates when the spouse's TIN is missing and position 2 of Field 01EXC is **1**; and when dependent TINs are missing. EC 010 doesn't generate for Form 1040(PR) and Form 1040-SS.
- (2) For Form 1040, follow the instructions in IRM 3.12.3, *EC 010*, to resolve errors.
- (3) If a Form 2555 for the spouse is present with a Form 1040 filed married filing jointly, and the secondary TIN is missing or invalid on the return, continue processing the Form 2555. The foreign earned income exclusion doesn't require a valid TIN.

3.22.3.88.3.1
(01-01-2026)

**Form 1040-NR -
Correction Procedures
Missing TIN for Spouse**

- (1) Most nonresident alien taxpayers can claim only one exemption for "self" (the primary taxpayer). However, some nonresident alien taxpayers may claim additional exemptions and dependents based on their country of residence.
- (2) **TY 2018 and later.** A spouse is not eligible as a dependent for Credit for Other Dependents (ODC), and in TY 2018 exemptions aren't allowed to be claimed on individual tax returns (the exemption amount is \$0). For these reasons, the TIN and name of the spouse is no longer included on Form 1040-NR. Delete entries if present in Field 01SNC and Field 01SS. If filing status is "6" change it to "3" if "married nonresident alien".
- (3) **TY 2017 and prior.** Exemptions are restricted by country of residence. Residents of certain countries may claim an exemption for their spouse. Determine the country of residence using taxpayer information on Form 1040-NR as described in IRM 3.22.3.11.3. Use the following table to determine appropriate actions:

If	And	Then
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • South Korea • Mexico • India and claiming an exemption for the spouse,	TIN is found on return or attachments,	Enter TIN in appropriate field.
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • South Korea • Mexico • India and claiming an exemption for the spouse,	Spouse's TIN is missing or invalid,	<ol style="list-style-type: none"> 1. Follow the instructions in IRM 3.12.3, <i>EC 010</i>. 2. If EC 256 generates after using Field 94EXV, assign TPNC 206.

If	And	Then
All others, or if the country of residence can't be determined,		<ol style="list-style-type: none"> 1. Delete name and TIN information for spouse. 2. Allow only one exemption for self. 3. EC 256 generates, assign TPNC 401.

3.22.3.88.3.2
(01-01-2026)

**Form 1040-NR -
Correction Procedures
Missing TIN for
Dependent**

- (1) Most nonresident alien taxpayers can claim only one exemption for "self" (the primary taxpayer). However, some nonresident alien taxpayers may claim additional exemptions and dependents based on their country of residence.

Note: TY 2018 and later, the exemption amount that can be claimed is \$0. Exemption coding (Field 01EXC and Field 94EXV) is retained for determining family size in certain calculations. An exemption that is allowed based on country of residence is also an allowable dependent.

- (2) Dependents and exemptions are restricted by country of residence on Form 1040-NR. Determine the country of residence using taxpayer information on Form 1040-NR as described in IRM 3.22.3.11.3. Use the following table to determine appropriate actions:

Note: TY 2018 and later, If a spouse is identified as listed in the dependent section, delete the TIN and name control from applicable fields if present.

If	And	Then
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • South Korea • Mexico • India and claiming a dependent,	TIN is found on return or attachments,	Enter TIN in appropriate field. Note: See exception for South Korea below

If	And	Then
<p>The taxpayer is a U.S. national or a resident of:</p> <ul style="list-style-type: none"> • Canada • South Korea • Mexico • India <p>and claiming a dependent,</p>	TIN is missing or invalid,	<ol style="list-style-type: none"> 1. Follow the instructions in IRM 3.12.3, <i>EC 010</i>. 2. For TY17 and prior years, If EC 256 generates after using Field 94EXV, assign TPNC 206 or TPNC 605 as appropriate. <p>Note: See exception for South Korea below</p>
The taxpayer is a resident of South Korea,	Claims a dependent other than child who lived in the United States,	<ol style="list-style-type: none"> 1. Allow only dependent children who lived in the U.S. 2. Enter allowable dependents in Field 94EXV 3. For TY17 and prior years, if EC 256 generates, assign TPNC 402. <p>Note: Positions 6 and 7 of Field 94EXV should always be zero.</p>
All others, or if the country of residence can't be determined,		<ol style="list-style-type: none"> 1. Delete name and TIN information for dependents 2. Allow only one exemption for self. 3. For TY17 and prior years, if EC 256 generates, assign TPNC 401.

3.22.3.89
(01-01-2015)
**Error Code 011 - NAP
Access Indicator**

- (1) EC 011 generates when the NAP Access Indicator is NOT present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 011* for invalid conditions and correction procedures.

3.22.3.89.1
(01-01-2026)
**Fields Displayed - EC
011**

- (1) The following fields are displayed for EC 011.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
ERSRI>	ERSRI>	ERS Response Indicator
DEPRI>	DEPRI>	ERS Dependent Revalidation Indicator
AVSRI>	AVSRI>	AVS Revalidation Indicator
EIFAI>	EIFAI>	EIF Access Indicator
T-DAT>	T-DAT>	Tentative Return Due Date Computer
	PNEXT>	Primary NAP Extension Due Date
	SNEXT>	Secondary NAP Extension Due Date
01NA1>	01NA1>	NAP Access Indicator
01NR1>	01NR1>	NAP EIF Response Indicator
01PYB>	01PYB>	Primary NAP Year of Birth
01NA2>	01NA2>	Secondary NAP Access Indicator
01NR2>	01NR2>	Secondary TIN NAP EIF Response Indicator
01SYB>	01SYB>	Secondary NAP Year of Birth
02NP1>	02NP1>	Dependent 1 NAP Access Indicator
02DR1>	02DR1>	Dependent 1 TIN NAP EIF Response Indicator
02YB1>	02YB1>	Dependent 1 NAP Year of Birth
02NP2>	02NP2>	Dependent 2 NAP Access Indicator
02DR2>	02DR2>	Dependent 2 TIN NAP EIF Response Indicator
02YB2>	02YB2>	Dependent 2 NAP Year of Birth
02NP3>	02NP3>	Dependent 3 NAP Access Indicator

1040-NR	1040-SS (sp)/1040-SS	Field Title
02DR3>	02DR3>	Dependent 3 TIN NAP EIF Response Indicator
02YB3>	02YB3>	Dependent 3 NAP Year of Birth
02NP4>	02NP4>	Dependent 4 NAP Access Indicator
02DR4>	02DR4>	Dependent 4 TIN NAP EIF Response Indicator
02YB4>	02YB4>	Dependent 4 NAP Year of Birth
21NA1>		Dependent 1 Child Care NAP Access Indicator
21NR1>		Dependent 1 Child Care TIN NAP EIF Response Indicator
21NA2>		Dependent 2 Child Care NAP Access Indicator
21NR2>		Dependent 2 Child Care TIN NAP EIF Response Indicator

3.22.3.90
(01-01-2019)

**Error Code 012 -
Spouse/Dependent TIN
Validation**

- (1) EC 012 generates when the account for the spouse or a dependent is not present or there is a name control and TIN mismatch.
- (2) For Form 1040, follow the instructions in IRM 3.12.3, *EC 012*, to resolve errors.
- (3) If a Form 2555 for the spouse is present with a Form 1040 filed married filing jointly, and the secondary TIN is missing or invalid on the return, continue processing the Form 2555. The foreign earned income exclusion doesn't require a valid TIN.

3.22.3.90.1
(01-01-2026)

**Fields Displayed - EC
012**

- (1) The following fields are displayed for EC 012.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Field
01FSC	01FSC	Filing Status
01TXP	01TXP	Tax Period
01EXC		Exemption Code
94EXV		Exemption Code Verified
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
MEFII>		MeF Imperfect Return Indicator
01SNC	01SNC	Secondary Name Control
>>>>	>>>>	Secondary NAP EIF Name Control
01SS	01SS	Secondary SSN
01NA2>	01NA2>	Secondary NAP Access Indicator
01NR2>	01NR2>	Secondary NAP EIF Response Indicator
02DS1	02DS1	Dependent 1 SSN
02DN1	02DN1	Dependent 1 Name Control
>>>>	>>>>	Dependent 1 NAP Name Control
02NP1>	02NP1>	Dependent 1 NAP Access Indicator
02DR1>	02DR1>	Dependent 1 TIN NAP EIF Response Indicator
02CT1		Dependent 1 Child Tax and Other Dependent Credit Indicator
02DS2	02DS2	Dependent 2 SSN
02DN2	02DN2	Dependent 2 Name Control
>>>>	>>>>	Dependent 2 NAP Name Control
02NP2>	02NP2>	Dependent 2 NAP Access Indicator
02DR2>	02DR2>	Dependent 2 TIN NAP EIF Response Indicator
02CT2		Dependent 2 Child Tax and Other Dependent Credit Indicator
02DS3	02DS3	Dependent 3 SSN
02DN3	02DN3	Dependent 3 Name Control
>>>>	>>>>	Dependent 3 NAP Name Control
02NP3>	02NP3>	Dependent 3 NAP Access Indicator
02DR3>	02DR3>	Dependent 3 TIN NAP EIF Response Indicator
02CT3		Dependent 3 Child Tax and Other Dependent Credit Indicator
02DS4	02DS4	Dependent 4 SSN

1040-NR	1040-SS (sp)/1040-SS	Field Title
02DN4	02DN4	Dependent 4 Name Control
>>>>	>>>>	Dependent 4 NAP Name Control
02NP4>	02NP4>	Dependent 4 NAP Access Indicator
02DR4>	02DR4>	Dependent 4 TIN NAP EIF Response Indicator
02CT4		Dependent 4 Child Tax and Other Dependent Credit Indicator
02DTR	02DTR	Dependent TIN Requirement
21CN1		Dependent 1 Child Care Name Control
>>>>		Dependent 1 Child care NAP Name Control
21DS1		Dependent 1 Child Care SSN
21NA1>		Dependent 1 Child Care NAP Access Indicator
21NR1>		Dependent 1 Child Care TIN NAP EIF response Indicator
21CN2		Dependent 2 Child Care Name Control
>>>>		Dependent 2 Child Care NAP Name Control
21DS2		Dependent 2 Child Care SSN
21NA2>		Dependent 2 Child Care NAP Access Indicator
21NR2>		Dependent 2 Child Care TIN NAP EIF Response Indicator
21CSR		Dependent Child Care SSN Requirement

3.22.3.90.2
(01-14-2020)
Returns Filed Using the Streamlined Filing Compliance Procedures (EC 012)

- (1) The secondary taxpayer must have a valid TIN to use the Streamlined Filing Compliance Procedures, either a Social Security number (SSN) or individual taxpayer identification number (ITIN). A TIN assigned by the IRS (IRSIN) is not a valid TIN. If a valid TIN is not found for the secondary taxpayer, follow these procedures before entering 94EXV.
 - a. Remove any edits of SPC "P", CCC "M", CCC "R", and CCC "P". Enter CCC "N" if required, see IRM 3.22.3.13.
 - b. After removing these codes, enter 94EXV as necessary and continue with normal processing.

3.22.3.90.3
(06-08-2017)

**Correction Procedures -
EC 012**

- (1) Go to the bottom of the screen and transmit.
- (2) Correct coding and transcription errors and misplaced entries on displayed fields.
- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 012* for correction procedures not listed below.

3.22.3.90.3.1
(01-01-2026)

**Form 1040-NR -
Correction Procedures
Spouse TIN Validation**

- (1) Most nonresident alien taxpayers can claim only one exemption for “self” (the primary taxpayer). However, some nonresident alien taxpayers may claim additional exemptions and dependents based on their country of residence.
- (2) **TY 2018 and later.** A spouse is not eligible as a dependent for Credit for Other Dependents (ODC), and in TY 2018 and later exemptions aren’t allowed to be claimed on individual tax returns (the exemption amount is \$0). For these reasons, the TIN and name of the spouse is no longer included on Form 1040-NR. Delete entries if present in Field 01SNC and Field 01SS. If filing status is “6” change it to “3” if “married nonresident alien”. If spouse is identified as listed in the dependent section, delete the TIN and name control from fields, if entered.
- (3) **TY 2017 and prior.** Exemptions are restricted by country of residence and in some cases a spouse may be claimed as an exemption. Determine the country of residence using taxpayer information on Form 1040-NR as described at IRM 3.22.3.11.3. Use the following table to determine appropriate actions:

If	And	Then
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • South Korea • Mexico • India and claiming an exemption for the spouse,	Spouse’s TIN is invalid,	<ol style="list-style-type: none"> 1. Follow the instructions in IRM 3.12.3, <i>EC 012</i>. 2. If EC 256 generates after using Field 94EXV, assign TPNC 206.
All others, or if the country of residence can’t be determined,		<ol style="list-style-type: none"> 1. Delete name and TIN information for spouse. 2. Allow only one exemption for self. 3. If EC 256 generates, assign TPNC 401.

3.22.3.90.3.2

(01-01-2026)

**Form 1040-NR -
Correction Procedures
TIN Validation for
Dependent**

- (1) Most nonresident alien taxpayers can claim only one exemption for “self” (the primary taxpayer). However, some nonresident alien taxpayers may claim additional exemptions and dependents based on their country of residence.

Note: TY 2018 and later, the exemption amount that can be claimed is \$0. Exemption coding (Field 01EXC and Field 94EXV) is retained for determining family size in certain calculations. An exemption that is allowed based on country of residence is also an allowable dependent.

- (2) Dependents and exemptions are restricted by country of residence on Form 1040-NR. Determine the country of residence using taxpayer information on Form 1040-NR as described at IRM 3.22.3.11.3. Use the following table to determine appropriate actions:

Note: TY 2018 and later, If spouse is identified as listed in the dependent section, delete the TIN and name control from applicable fields if present.

If	And	Then
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • Mexico • India and claiming a dependent,		Follow the instructions in IRM 3.12.3, <i>EC 012</i> .
The taxpayer is a resident of South Korea,	Claims a dependent other than self or child(ren) who lived in the United States,	<ol style="list-style-type: none"> 1. Allow only dependent children who lived in the U.S. 2. Enter allowable dependents in Field 94EXV 3. For TY17 and prior years, if EC 256 generates, assign TPNC 402. <p>Note: Positions 6 and 7 of Field 94EXV should always be zero.</p>

If	And	Then
All others, or if the country of residence can't be determined,		<ol style="list-style-type: none"> 1. Delete name and TIN information for dependents. 2. Allow only one exemption for self. 3. EC 256 generates, assign TPNC 401.

3.22.3.90.3.3
(01-01-2026)

**Form 1040-SS - Claiming
Additional Child Tax
Credit**

(1) To validate the Secondary TIN, follow the If and Then chart below:

If	Then
The Secondary TIN or Name Control (NC) was entered incorrectly,	Overlay Field 01SS and/or Field 01SNC with the correct information.
The Secondary TIN and Name Control was entered correctly,	Search the return or attachments for a different TIN and/or NC. <ol style="list-style-type: none"> 1. If a different TIN is found, overlay Field 01SS with the correct TIN. 2. If a different NC is found, enter "C" in the Clear field.
A different Secondary TIN and/or NC is not found on the return or attachments,	<ol style="list-style-type: none"> 1. Research CC INOLE, using the primary TIN <ol style="list-style-type: none"> a. If a different TIN is found, overlay Field 01SS with the correct TIN. b. If a different NC is found, enter "C" in the Clear Field. 2. Research CC INOLE, NAMES or NAMEI for the secondary <ol style="list-style-type: none"> a. If a different TIN is found, overlay Field 01SS with the correct TIN. b. If a different NC is found, enter "C" in the Clear Field.
A different TIN is NOT found,	Enter "C" in the clear field.

- (2) EC 012 generates for one or more of the dependents. Check for coding and transcription errors.

If	And	Then
A Qualifying Child has a NAP Access Indicator of 2 or 9,	The name control underprints with the primary or secondary taxpayer's name control, or matches the primary or secondary taxpayer's name(s) on the return,	Change that child's name control to match the underprint.
One or more dependents are not valid,		Enter "C" in the clear field.

Note: Do not change field 01EXC.

3.22.3.91
(01-01-2015)

Error Code 013 - Duplicate TINs

- (1) EC 013 generates when any TIN is listed for more than one person.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 013* for invalid conditions and correction procedures.

3.22.3.91.1
(01-01-2026)

Fields Displayed - EC 013

- (1) The following fields are displayed for EC 013.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01PS	01PS	Primary SSN
01SS	01SS	Secondary SSN
01EXC	01EXC	Exemption Code Field
94EXV		Exemption Code Verified Field
02DS1	02DS1	Dependent 1 SSN
02DN1	02DN1	Dependent 1 Name Control
02DS2	02DS2	Dependent 2 SSN
02DN2	02DN2	Dependent 2 Name Control
02DS3	02DS3	Dependent 3 SSN
02DN3	02DN3	Dependent 3 Name Control
02DS4	02DS4	Dependent 4 SSN
02DN4	02DN4	Dependent 4 Name Control
21CN1		Child Care Credit Dependent 1 Name Control

1040-NR	1040-SS (sp)/1040-SS	Field Title
21DS1		Child Care Credit Dependent 1 SSN
21CN2		Child Care Credit Dependent 2 Name Control
21DS2		Child Care Credit Dependent 2 SSN
38TN1		Form 8839 Child 1 SSN
38NC1		Form 8839 Child 1 Name Control
38TN2		Form 8839 Child 2 SSN
38NC2		Form 8839 Child 2 Name Control
38TN3		Form 8839 Child 3 SSN
38NC3		Form 8839 Child 3 Name Control

3.22.3.92
(01-01-2015)
Error Code 014 - Entity Data

- (1) EC 014 generates when the Entity data is not consistent with the Master File Entity data.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 014* for invalid conditions and correction procedures.

3.22.3.92.1
(01-01-2024)
Field Displays - EC 014

- (1) The following fields are displayed for EC 014.

1040-NR	1040-SS (sp) /1040-SS	Field Title
01PNC	01PNC	Name Control
>>>>		Primary NAP EIF Name Control
01PS	01PS	Primary SSN
	01SS	Secondary SSN
01NL1	01NL1	First Name Line
01NL2	01NL2	Second Name Line
01ADD	01ADD	Street Address
01C/S	01C/S	City/State
01ZIP	01ZIP	Zip Code
01TXP	01TXP	Tax Period
01FSC	01FSC	Filing Status Code

3.22.3.93
(01-01-2015)

**Error Code 016 - FSC 2
No Ampersand**

- (1) EC 016 generates when FSC 2 and the Name Line does not have an "&".
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 016* for invalid conditions and correction procedures.

3.22.3.93.1
(01-01-2024)

**Fields Displayed - EC
016**

- (1) The following fields are displayed for EC 016.

1040-SS (sp)/1040-SS	Field Title
01NL1	Name Line 1
01FSC	Filing status Code
01EXC	Exemption Code
03TAX	Total Tax
>>>>	Total Tax IMF Computer

3.22.3.94
(01-01-2026)

**Error Code 017 - ITIN
Expiration**

- (1) EC 017 generates when the NAP ITIN Status Code is "I" for the Primary (Field 01PIC>), Secondary (Field 01SIC>), Dependent (Field 02DC1> through 02DC4>), or Child Care Dependent (Field 21CC1> or 21CC2>); when the Primary TIN begins with a "9" and CCC X is present; or when Filing Status is 2 and Secondary TIN begins with a "9" and RPC E is present. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 017*, for invalid conditions. EC 017 is valid on Form 1040-NR, Form 1040(PR), Form 1040-SS.

3.22.3.94.1
(01-01-2026)

**Fields Displayed - EC
017**

- (1) The following fields are displayed for EC 017.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01EXC		Exemption Code
94EXV		Exemption Verified
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
01PS	01PS	Primary SSN
01NA1>	01NA1>	Primary-NAP-Access-IND
01PIC>	01PIC>	Primary ITIN Status Code
01SS	01SS	Secondary SSN

1040-NR	1040-SS (sp)/1040-SS	Field Title
01NA2>	01NA2>	Secondary NAP Access Indicator
01SIC>	01SIC>	Secondary ITIN Status Code
02MT4	02MT4	More Than 4 Dependents
02DS1	02DS1	Dependent 1 SSN
02NP1>	02NP1>	Dependent 1 NAP Access Indicator
02DC1>	02DC1>	Dependent 1 ITIN Status Code
02DS2	02DS2	Dependent 2 SSN
02NP2>	02NP2>	Dependent 2 NAP Access Indicator
02DC2>	02DC2>	Dependent 2 ITIN Status Code
02DS3	02DS3	Dependent 3 SSN
02NP3>	02NP3>	Dependent 3 NAP Access Indicator
02DC3>	02DC3>	Dependent 3 ITIN Status Code
02DS4	02DS4	Dependent 4 SSN
02NP4>	02NP4>	Dependent 4 NAP Access Indicator
02DC4>	02DC4>	Dependent 4 ITIN Status Code
02DTR	02DTR	Dependent TIN Requirement
21DS1		Dependent 1 Child Care SSN
21NA1>		Dependent 1 Child Care NAP Access Indicator
21CC1>		Child Care Dependent 1 ITIN Status Code
21DS2		Dependent 2 Child Care SSN
21NA2>		Dependent 2 Child Care NAP Access Indicator
21CC2>		Child Care Dependent 2 ITIN Status Code
03GE>		Gross Exemption Amount Computer
03INC		Taxable Income Amount
>>>>		Taxable Income Computer
01TCE>	01TCE>	Child Tax Credit Total Eligible Computer Number
01TDE>		Other Dependent Credit Total Eligible Computer Number

1040-NR	1040-SS (sp)/1040-SS	Field Title
03COD>		Gross Child and Other Dependent Credit Computer
03COD		Child and Other Dependent Credit Amount
>>>>		Child and Other Dependent Credit Computer Amount
03ACT>	03ACT>	Gross Additional Child Credit Tax Computer Amount
03ACT	03ACT	Additional Child Tax Credit Amount
>>>>	>>>>	Additional Child Tax Credit Computer Amount
21QI		Qualifying Individuals
21GC>		Gross Child Care Credit Computer
05302		Child Care Credit

3.22.3.94.2
(01-01-2026)

**Correction Procedures -
EC 017 Form 1040-SS**

- (1) Go to the bottom of the screen and transmit to validate.
- (2) Fields present at EC 017 include ITIN Status Codes for the primary, secondary, and dependents. If ITIN Status Code "I" is present for any ITIN do not adjust Field 94EXV. Enter "C" in the Clear Code field and use the instructions and TPNCs found in EC 343 at IRM 3.22.3.253.2.

3.22.3.94.3
(01-01-2026)

**Correction Procedures -
EC 017 Form 1040-NR**

- (1) Go to the bottom of the screen and transmit to validate.
- (2) Follow the instructions in IRM 3.12.3, *Error Code 017*. If EC 256, EC 279, EC 287, EC 290, or EC 343 generate after entering "C" in the Clear Field, assign TPNCs for Form 1040-NR according to these instructions:
 - EC 256 - IRM 3.22.3.190
 - EC 279 - IRM 3.22.3.213.3
 - EC 287 - IRM 3.22.3.216
 - EC 290 - IRM 3.22.3.226.2
 - EC 343 - IRM 3.22.3.253.6

3.22.3.95
(01-01-2015)

**Error Code 018 - Date of
Death Is Prior to Tax
Period**

- (1) EC 018 generates when the date of death is prior to the tax period.
- (2) Refer to both IRM 3.22.3 (if Form SSA/RRB 1042-S is attached) and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 018* for invalid conditions and correction procedures.

3.22.3.95.1
(11-08-2021)

**Correction Procedures -
EC 018 for Form 1040**

- (1) Form 1040 - If Form SSA/RRB 1042-S is attached **READ ALL INSTRUCTIONS BELOW:**
- If both the copy of green card (for the taxpayer listed on the Form SSA/RRB 1042-S) and signed declaration or statement are attached, correspond for TIN verification selecting paragraph d on Form 13900 for EC 018.
 - If the copy of green card and/or statement is missing, correspond for copy of green card and/or declaration statement and TIN verification selecting paragraphs N and d on Form 13900.

3.22.3.95.2
(11-08-2021)

**Correction Procedures -
EC 018 for Form
1040-NR**

- (1) If Form SSA/RRB 1042-S is attached, correspond for TIN verification selecting paragraph d on Form 13900 for EC 018.

3.22.3.96
(01-01-2017)

**Error Code 019 - Date of
Birth is Greater Than
Tax Period**

- (1) EC 019 is generated when any dependent date of birth is after the tax period of the return.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 019* for invalid conditions and correction procedures.

3.22.3.96.1
(01-01-2026)

**Fields Displayed - EC
019**

- (1) The following fields are displayed for EC 019.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01CCC	01CCC	Computer Condition Code
01TXP	01TXP	Tax Period
01EXC		Exemption Code
94EXV		Exemption Code Verified
01RPC	01RPC	Returns Processing Code
01SPC	01SPC	Special Processing Code
T-DAT>	T-DAT>	Tentative Return Due Date Computer
01PS	01PS	Primary SSN
01NA1>		Primary NAP Access Indicator
01PAD>	01PAD>	Primary NAP TIN Assignment Date
01SS	01SS	Secondary SSN
01NA2>		Secondary NAP Access Indicator
01SAD>	01SAD>	Secondary NAP TIN Assignment Date
02MT4	02MT4	More Than 4 Dependents

1040-NR	1040-SS (sp)/1040-SS	Field Title
	02DN1	Dependent 1 Name Control
02DS1	02DS1	Dependent 1 SSN
02YB1>	02YB1>	Dependent 1 Year of Birth
02NP1>	02NP1>	Dependent 1 NAP Access Indicator
02AD1>	02AD1>	Dependent 1 TIN Assignment Date
	02DN2	Dependent 2 Name Control
02DS2	02DS2	Dependent 2 SSN
02YB2>	02YB2>	Dependent 2 Year of Birth
02NP2>	02NP2>	Dependent 2 NAP Access Indicator
02AD2>	02AD2>	Dependent 2 TIN Assignment Date
	02DN3	Dependent 3 Name Control
02DS3	02DS3	Dependent 3 SSN
02YB3>	02YB3>	Dependent 3 Year of Birth
02NP3>	02NP3>	Dependent 3 NAP Access Indicator
02AD3>	02AD3>	Dependent 3 TIN Assignment Date
	02DN4	Dependent 4 Name Control
02DS4	02DS4	Dependent 4 SSN
02YB4>	02YB4>	Dependent 4 Year of Birth
02NP4>	02NP4>	Dependent 4 NAP Access Indicator
02AD4>	02AD4>	Dependent 4 TIN Assignment Date
21DS1		Child Care Dependent 1 SSN
21YB1>		Child Care Dependent 1 NAP Date of Birth
21DS2		Child Care Dependent 2 SSN
21YB2>		Child Care Dependent 2 NAP Date of Birth
01TCE>	01TCE>	Child Tax Credit Total Eligibility Computer
94CEV	94CEV	Child Tax Credit Total Eligibility Verified
01TDE>		Other Dependent Tax Credit Total Eligibility Computer
94DEV		Other Dependent Credit Total Eligibility Verified

1040-NR	1040-SS (sp)/1040-SS	Field Title
03COD>		Gross Child and Other Dependent Credit Computer
03ACT>	03ACT>	Gross Additional Child Tax Credit Computer Amount

Note: Field T-DAT>, Tentative Return Date Computer, is computed based on the due date of the income tax return and approved extensions. See Exhibit 3.22.3-17 for due dates of Form 1040-NR

3.22.3.97
(01-01-2015)
Error Codes 020 - Major City Code

- (1) EC 020 generates when the major city code is invalid.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 020* for invalid conditions and correction procedures.

3.22.3.97.1
(01-01-2024)
Fields Displayed - EC 020

- (1) The following fields are displayed for EC 020.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01NL2	01NL2	Name Line 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code

3.22.3.98
(01-01-2019)
Error Code 021 - Major City Code/ZIP Code

- (1) EC 021 generates when a major city code is present in Field 01C/S and the ZIP Code isn't correct for that city code or Field 01ZIP is blank.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 021* for invalid conditions and correction procedures.

3.22.3.98.1
(01-01-2024)
Field Displays - EC 021

- (1) The following fields are displayed for EC 021.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code

3.22.3.99
(01-01-2019)
Error Code 022 - State Code/ZIP Code

- (1) EC 022 generates when a state code is present in Field 01C/S and the ZIP Code isn't correct for that state code or Field 01ZIP is blank.

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 022* for invalid conditions and correction procedures.

3.22.3.99.1
(01-01-2024)

Fields Displayed - EC 022

- (1) The following fields are displayed for EC 022.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code

3.22.3.100
(01-01-2020)

Error Code 023 - Reserved

- (1) This error code is reserved.

3.22.3.101
(01-01-2015)

Error Code 024 - Form 1040/ Form 2555 without FLC 20

- (1) EC 024 generates when Section 34 or 35 is present and the FLC is other than 20.

3.22.3.101.1
(01-01-2015)

Fields Displayed EC 024

- (1) The following fields are displayed for EC 024.

1040	Field Title
Section 34 Present	Form 2555
Section 35 Present	Form 2555

3.22.3.101.2
(01-01-2015)

Invalid Conditions - EC 024

- (1) EC 024 generates when the File Location Code is other than 20 and Section 34/35 is present.

3.22.3.101.3
(01-01-2025)

Correction Procedures - EC 024

- (1) The screen display will only reflect the Section 34/35 that is present - **DO NOT USE IRM 3.12.3 CORRECTION PROCEDURES FOR EC 024.**

- (2) A return with Form 2555 attached must have File Location Code (FLC) 20 in the DLN.

If	And	Then
<p>The tax home reported on Form 2555 is in a foreign country,</p> <p>Note: Tax home is reported on line 9, Form 2555</p>	<p>The taxpayer meets the tax home test,</p> <p>Note: A tax home test is taxpayer must be in a foreign country or countries throughout the period of bonafide residence or physical presence whichever applies</p>	<p>SSPND with Action Code 610 to renumber to FLC 20.</p>
<p>Form 2555 is not valid,</p>		<ol style="list-style-type: none"> 1. DLSEC 34 or 35. 2. Delete the amount of exclusion claimed in Field 04OTI. 3. Make sure the income is reported in the appropriate income fields on Form 1040. 4. EC 218 generates, assign TPNC 309.

If	And	Then
The tax home on Form 2555 is a U.S. territory,		<ol style="list-style-type: none"> 1. DLSEC 34/35. 2. Delete the amount of exclusion claimed in Field 04OTI. 3. Make sure the income is reported in the appropriate income fields on Form 1040. 4. EC 218 generates, assign TPNC 310.

Note: Form 2555 is **not** valid if the taxpayer is claiming the Foreign-Earned Income Exclusion for income that is earned in a U.S. territory (i.e., American Samoa).

3.22.3.102
(01-01-2015)

Error Code 025 - Post of Duty Code

- (1) EC 025 generates when Post of Duty Code is invalid or incorrect Document Code.

3.22.3.102.1
(01-07-2013)

Fields Displayed - EC 025

- (1) The following fields are displayed for EC 025.

1040	Field Title
S34NP	Section 34 Not Present
34POD	Post of Duty Code 34
S35NP	Section 35 Not Present
35POD	Post of Duty Code 35

3.22.3.102.2
(01-01-2015)

Invalid Conditions - EC 025

- (1) FLC is 20, the Document Code is 05, 06, 11, 12, 21 or 22 and the Post of Duty Code is invalid.

3.22.3.102.3
(01-01-2023)

Correction Procedures - EC 025

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Determine the country where the Form 2555 income was earned. Use the following priority order when determining the POD:
1. Address line 1, Form 2555;

2. Address line 9, Form 2555;
3. Principal country, line 17, Form 2555
4. Foreign address on Form 1040
5. Employer's foreign address, line 4b, Form 2555;
6. Address from an income statement

- (3) If line 1 Form 2555 is an address of a U.S. territory and therefore not allowed for claiming a Foreign Earned Income Exclusion, delete the amount of the exclusion claimed on Line 8d, Schedule 1, of Form 1040 and DLSEC 34 or 35. When EC 218 generates, assign TPNC 310 and continue processing as an international return. Don't suspend for renumbering.
- (4) Find the POD Code for the country using Exhibit 3.22.3-4, **Country and Post of Duty (POD) Codes**, and enter in Field 34POD/35POD. **If the country is not found in this exhibit or cannot be determined, enter POD "XX".**

3.22.3.103
(01-01-2015)
**Error Code 026 -
Computer Condition
Code "L" or "W" is
Present**

- (1) EC 026 generates when CCC "L" or "W" is present and Field 01NL2 is not present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 026* for invalid conditions and correction procedures.

3.22.3.103.1
(01-01-2024)
**Fields Displayed - EC
026**

- (1) The following fields are displayed for EC 026.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01NL1	01NL1	Name line 1
01NL2	01NL2	Name line 2
01CCC	01CCC	Computer Condition Code
02NC>	02NC>	Non-Compute Code
03BDR>	03BDR>	Balance/Due Overpayment Taxpayer Computer
>>>>	>>>>	Balance/Due Overpayment Computer

3.22.3.104
(01-01-2026)
**Error Code 028 -
Decedent Return Check**

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 028*, for invalid conditions and correction procedures. If corresponding for missing or incomplete information follow these instructions when using these forms:
 - Form 13900 for *Letter 4087C* - select paragraph f.

#

- (Form 1040-SS) Form 13975 for *Letter 2894C* - select paragraph Y of *Letter 2894C*.

3.22.3.104.1
(01-01-2026)

**Fields Displayed - EC
028**

- (1) The following fields are displayed for EC 028.

1040-NR	1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01PS	01PS	Primary SSN
01PNC	01PNC	Primary Name Control
>>>>	>>>>	Primary NAP EIF Name Control
01PDD>	01PDD>	Primary NAP Date of Death
	01SS	Secondary SSN
	01SNC	Secondary Name Control
	>>>>	Secondary NAP EIF Name Control
	01SDD>	Secondary NAP Date of Death
01NL1	01NL1	Name Line 1
01NL2	01NL2	Name Line 2
01CCC	01CCC	Computer Condition Code
01FPC	01FPC	Form Processing Code
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
03WH		Withholding-Form(s) W-2 or 1099
0325E		Withholding-Form(s) 8805
0325F		Withholding-Form(s) 8288-A
0325G		Withholding-Form(s) 1042-S
03ESP	03ESP	Estimated Tax Payments
PETP>	PETP>	Primary NAP Estimated Tax/Credit Election Payment Code
	SETP>	Secondary NAP Estimated Tax/Credit Election Payment Code
	03ACT	Additional Child Tax Credit
03CEL	03CEL	Estimated Tax Credit Elect
03BDR	03BDR	Balance Due/Overpayment
>>>>	>>>>	Balance Due/Overpayment Computer

1040-NR	1040-SS	Field Title
03BDR>	03BDR>	Balance Due/Refund Taxpayer Computer

3.22.3.105
(02-08-2024)
**Error Code 029 -
Unclaimed Credits**

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- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 029*, for correction procedures and invalid conditions. If corresponding follow these instructions when using these forms:

- Form 13900 for *Letter 4087C* - select paragraph letter g.
- (Form 1040-SS) - select paragraph Z on Form 13975 for *Letter 2894C*.
- (Form 1040-SS (sp)) - select paragraph Z on Form 13975 for *Letter 2894C*

3.22.3.105.1
(01-01-2026)
**Fields Displayed - EC
029**

- (1) The following fields are displayed for EC 029.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code Field
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01PS	01PS	Primary TIN
01PNC	01PNC	Primary Name Control
>>>>>	>>>>>	Primary NAP-EIF-Name-Ctrl-Underprint
	01SS	Secondary TIN
	01SNC	Secondary NAP Name Control
	>>>>>	Secondary NAP Name Control Underprint
01CCC	01CCC	Computer Condition Code
01FPC	01FPC	Form Processing Code
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
03WH		Withholding-Form(s) W-2 or 1099
0325E		Withholding-Form(s) 8805
0325F		Withholding-Form(s) 8288-A

1040-NR	1040-SS (sp)/1040-SS	Field Title
0325G		Withholding-Form(s) 1042-S
03ESP	03ESP	Estimated Tax Payments
PETP>	PETP>	Primary NAP Estimated Tax/ Credit Election Payment Code
	SETP>	Estimated Tax/Credit Election Payment Code Secondary Taxpayer
05EXT	05EXT	Form 4868 Payment
03BDR	03BDR	Balance Due/Overpayment
>>>>	>>>>	Balance Due/Overpayment Computer
03BDR>	03BDR>	Balance Due/Refund Taxpayer Computer
03CEL	03CEL	Estimated Tax Credit Elect

3.22.3.106
(01-01-2024)
**Error Code 030 - ITIN
Filers with Form W-2**

- (1) EC 030 generates when a paper-filed return has wages and the primary or secondary (if FS 2) has a TIN that begins with "9".
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 030*, for invalid conditions and correction procedures. EC 030 won't generate for Form 1040-SS (sp) or Form 1040-SS.

3.22.3.106.1
(01-01-2026)
**EC 030 - Fields
Displayed**

- (1) The following fields are displayed at EC 030.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01NL1	Name Line 1
01PS	Primary Taxpayer TIN
01SS	Secondary Taxpayer TIN
03WG	W-2 Wages
04SFG	Scholarship or Fellowship Grants
88W2A	ITIN Return First W-2 SSN (ERS Only)
88W2B	ITIN Return Second W-2 SSN (ERS Only)

3.22.3.107
(01-01-2015)

**Error Code 032 - FSC 2/6
Exemptions**

- (1) EC 032 generates when the FSC is 2/6 and an exemption is not present in the second position for Field 01EXC and CCC "G" is not present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 032* for invalid conditions and correction procedures.

3.22.3.107.1
(01-01-2024)

**Fields Displayed - EC
032**

- (1) The following fields are displayed for EC 032.

1040-SS (sp)/1040-SS	Field Title
01NL1	Name Line 1
01FSC	Filing Status Code
01CCC	Computer Condition Code
01EXC	Exemption Code

3.22.3.108
(01-01-2015)

**Error Code 034 - FSC 4
or 5 - Exemptions**

- (1) EC 034 generates when Field 01FSC is 4 or 5, exemptions are zero, and CCC "G" is not present.

3.22.3.108.1
(01-01-2026)

**Fields Displayed - EC
034**

- (1) The following fields are displayed for EC 034.

1040-NR	Field Title
01FSC	Filing Status
01CCC	Computer Condition Code
01EXC	Exemption Code Field
94EXV	Exemption Code verified
02DN1	Dependent 1 Name Control
02DS1	Dependent 1 SSN
02CT1	Dependent 1 Child Tax and Other Dependent Credit Indicator
02DN2	Dependent 2 Name Control
02DS2	Dependent 2 SSN
02CT2	Dependent 2 Child Tax and Other Dependent Credit Indicator
02DN3	Dependent 3 Name Control
02DS3	Dependent 3 SSN
02CT3	Dependent 3 Child Tax and Other Dependent Credit Indicator

1040-NR	Field Title
02DN4	Dependent 4 Name Control
02DS4	Dependent 4 SSN
02CT4	Dependent 4 Child Tax and Other Dependent Credit Indicator
21CN1	Child Care Credit Dependent 1 Name Control
>>>>>	Child Care Credit Dependent 1 NAP Name Control
21DS1	Child Care Credit Dependent 1 Social Security Number
21CN2	Child Care Credit Dependent 2 Name Control
>>>>>	Child Care Credit Dependent 1 NAP Name Control
21DS2	Child Care Credit Dependent 2 Social Security Number
S21NP	Section 21 Not Present
40CN1	Form 8814 Section 40 Name Control
40CT1	Form 8814 Section 40 Social Security Number
S40NP	Section 40 Not Present
41CN2	Form 8814 Section 41 Name Control
41CT2	Form 8814 Section 41 Social Security Number
S41NP	Section 41 Not Present
42CN3	Form 8814 Section 42 Name Control
42CT3	Form 8814 Section 42 Social Security Number
S42NP	Section 42 Not Present

3.22.3.109
(11-13-2025)

**Error Code 038 -
ScanPaper Literal**

- (1) EC 038 generates when a zero (0) is present in field 01FPC.
- (2) EC 038 is valid on Form 1040-NR and Form 1040-SS.
- (3) Refer to IRM 3.12.3, **Error Resolution, Individual Income Tax Returns, EC 038** for invalid conditions and correction procedures.

3.22.3.109.1
(11-13-2025)

**Fields Displayed - EC
038**

- (1) The following fields are displayed for EC 038.

1040-NR	1040-SS	Field Title
01FSC	01FSC	Filing Status Code

1040-NR	1040-SS	Field Title
01RCD	01RCD	Received Date
01TXP	01TXP	Tax Period
01FPC	01FPC	Form Processing Code

3.22.3.109.2
(11-13-2025)

Error Code 038
ScanPaper Literal
Correction Procedures

- (1) Correct coding and transcription errors and misplaced entries in displayed fields.
- (2) When a zero is present in Field 01FPC and a Gen Dep statement in EUP indicates the return is ScanPaper, find the vendor literal within the attached Gen Dep statement and refer to the Literal Definition in the table below. Also refer to IRM 3.12.3 EC 038 for vendor literals and literal definitions not covered in IRM 3.22.3. Follow the IRM instructions for the issue found in the Literal Definition which includes correcting transcription/scanning errors.

Note: If the return is not ScanPaper, delete **0** (zero) from Field 01FPC.

Vendor Literal	Literal Definition
Form 8962 verify start and end months line 30/35/36	GTSEC 74 and verify transcription. Refer to IRM 3.12.2.58
Multiple Form 4835 attached possible combining.	If multiple forms are attached, combine all transcribed money amounts and enter into appropriate fields.
Multiple Form 461 attached	If multiple forms are attached, combine all transcribed money amounts and enter into appropriate fields.
Multiple Form 8941 attached	If there is more than one form per TIN, combine all transcribed money amounts and enter into appropriate fields.
Multiple Form 9465 attached	Follow paragraph 3 below for instructions.
Multiple Form 8938 attached	Ensure "G" is entered in to field 01FPC

- (3) If the PDF attachment needs to be routed and the attachment guide in IRM 3.21.3-1 or IRM 3.11.3-1 says to detach:
 - a. Print the PDF of the attachment(s) specified by the routing guide from EUP.
 - b. Add a note to your routing slip that says "Document scanned by IRS via SPR and viewable in EUP".
 - c. Follow local procedures for routing attachments.
- (4) If the PDF attachment needs to be routed and the attachment guide in IRM 3.21.3-1 or IRM 3.11.3-1 says do not detach:
 - a. Print the PDF return (including all PDF forms, schedules and attachments) from EUP.

- b. Add a note to your routing slip that says "Document scanned by IRS via SPR and viewable in EUP. Process printout as signed original."
- c. SSPND 640 to Rejects. On Form 4227 notate that return needs to be routed and the area it needs to be routed to.

- (5) If there is a General Dependency Small literal not listed in the table above or in IRM 3.12.3 EC 038, SSPND 471 and send DLN to P&A to elevate to HQ.
- (6) After reviewing the Vendor Literal and taking all necessary actions, enter **C** in the Clear Field.

3.22.3.110
(01-01-2015)
**Error Code 042 -
Received Date**

- (1) EC 042 generates when the received date is earlier than the ending month and year of the tax period.
- (2) Refer to IRM 3.22.3.15.14 for determining received dates on returns that were "**Sent Back for Signature**".
- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 042* for invalid conditions and correction procedures.

3.22.3.110.1
(01-01-2024)
**Fields Displayed - EC
042**

- (1) The following fields are displayed for EC 042.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01CCC	01CCC	Computer Condition Code
01RCD	01RCD	Received Date

3.22.3.111
(01-01-2015)
**Error Code 046 - Fiscal
Year Tax Period**

- (1) EC 046 generates when CCC "A", "E", "F" or "Y" are not present, the ending month in the tax period is other than 12 and the Doc. Code is not 26, 27, 72 or 73.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 046* for screen display, invalid conditions and correction procedures.

3.22.3.112
(01-01-2015)
**Error Code 048 -
Amended Return**

- (1) EC 048 generates when CCC "G" is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 048*, for invalid conditions and correction procedures.

3.22.3.112.1
(01-01-2024)
**Fields Displayed - EC
048**

- (1) The following fields are displayed for EC 048.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
01CCC	01CCC	Computer Condition Code

3.22.3.113
(01-01-2024)
**Error Code 050 -
Preparer's Code**

- (1) EC 050 generates when both the preparer's EIN and code are present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and correction procedures.

3.22.3.114
(01-01-2015)
**Error Code 051 - CCC
"L" or "W" - FLC 20
(International Only)**

- (1) EC 051 generates when the FLC is 20 and CCC "L" or "W" is present.

3.22.3.114.1
(01-01-2015)
**Fields Displayed - EC
051**

- (1) The following fields are displayed for EC 051.

1040-NR	1040	Field Title
CL	CL	Clear Field
01NL1	01NL1	Name Line 1
01NL2	01NL2	Name Line 2
01ADD	01ADD	Address
01C/S	01C/S	City/State
01ZIP	01ZIP	ZIP Code
01COU	01COU	Country Code
01CCC	01CCC	Computer Condition Code

3.22.3.114.2
(01-01-2015)
**Invalid Conditions - EC
051**

- (1) Generates when the FLC is 20 and CCC "L" or "W" is present.

3.22.3.114.3
(01-01-2020)
**Correction Procedures -
EC 051**

- (1) Verify address in the entity caption.

If	Then
The return has a domestic address and no other International criteria are present.	SSPND 610 for renumbering to domestic.
Foreign address or other International criteria are present,	Determine if the CCC “L” or “W” is appropriate. CAUTION: CCC “L” or “W” is only necessary on refund or non-compute returns. Refer to Error Code 026, in IRM 3.12.3, <i>Individual Master File Error Resolution General Instructions</i> for further information on CCC “L” or “W” .
There are other International criteria, the address is domestic , and it is determined that CCC “L” or “W” is appropriate and it is a refund return	Enter a “C” in the Clear Code field.
There is a foreign address or other International criteria and it is determined that CCC “L” or “W” is appropriate, and it is a refund return,	<p>Issue a manual refund as follows:</p> <ol style="list-style-type: none"> 1. Delete Field 03BDR 2. Delete CCC “Y”, “L” and/or “W” from ERS screen and circle CCC “Y”, “L” and/or “W” on document 3. Refer to Error Code 260, Manual Refunds IRM 3.22.3.193.6 for further instructions. <p>Caution: Do not issue a manual refund if any of the conditions listed in EC 260, Manual Refunds are present. Delete CCC “Y” and enter a “C” in the Clear Code field and continue processing.</p>
EC 370 generates,	Prepare Form 4227 notating “Manual Refund” and SSPND 341 and Delete CCC “L” or “W” (for suspense tax examiners only).
It is determined that the record does not require the “L” or the “W”,	Delete the code(s) from Field 01CCC.

3.22.3.115
(01-01-2015)
**Error Code 052 - CCC
“F” or “9” - FSC 2**

- (1) EC 052 generates when FSC is 2 and the condition for CCC “F” or “9” are inconsistent with NAP data.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 052* for invalid conditions and correction procedures.

3.22.3.115.1
(01-01-2024)
**Fields Displayed - EC
052**

- (1) The following fields are displayed for EC 052.

1040-SS (sp)/1040-SS	Field Title
01NL1	Name Line 1
01NL2	Name Line 2
01FSC	Filing Status Code
01CCC	Computer Condition Code
01PDD>	Primary NAP Date of Death
01SDD>	Secondary NAP Date of Death
02NC>	Non-Compute Code
03BDR>	Balance/Due Overpayment Taxpayer Computer
>>>>	Balance Due/Refund Computer

3.22.3.116
(01-01-2024)
**Error Code 053 - FSC 2/
DECD**

- (1) EC 053 generates when FSC is 2 and there is inconsistent data with information on the name line or the CCC.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 053* for screen displays, invalid conditions and correction procedures.

3.22.3.117
(01-01-2015)
**Error Code 054 - RPC C
Filing Status**

- (1) EC 054 generates when RPC “C” is present and the FSC is 2, 5 or 6.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 054* for invalid conditions and correction procedures.

3.22.3.117.1
(11-08-2021)
**Fields Displayed - EC
054**

- (1) The following fields are displayed for EC 054.

1040-NR	Field Title
01FSC	Filing Status Code
01RPC	Return Processing Code

3.22.3.118
(01-01-2024)
**Error Code 056 - FSC
2/CCC “F” or “9”**

- (1) EC 056 generates when FSC is 2, and either CCC “F” is present and the first four characters before the “&” are not DECD, or CCC 9 is present and first four characters before the “<” sign are not DECD.

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 056* for field displays, invalid conditions and correction procedures.

3.22.3.119
(01-01-2024)

**Error Code 058 - Return
Processed Date (RPD)**

- (1) EC 058 generates because the RPD is inconsistent with the received date.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 058* for fields displayed, invalid conditions and correction procedures.

3.22.3.120
(01-01-2026)

**Error Code 064 -
Pre-Determined
Delinquency
Penalty/Received Date**

- (1) EC 064 generates when the Pre-Determined Delinquency Penalty (Field 88PDP) is inconsistent with other data on the return.
- (2) Refer to IRM 3.22.3.15.14 for determining received dates on returns that were **"Sent Back for Signature"**.
- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 064* for invalid conditions or correction procedures.

3.22.3.120.1
(01-01-2026)

**Fields Displayed - EC
064**

- (1) The following fields are displayed for EC 064.

1040-NR	Field Title
01RCD	Received Date
88PDP	Predetermined Penalty
03WG	W-2 Wages
03TWG	Total Wages Amount
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer

3.22.3.121
(01-02-2015)

**Error Code 067 -
Reconcile ACA Data**

- (1) EC 067 generates when data received from the ACA Verification Service (AVS) are invalid characters.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 067*, for screen display, invalid conditions and correction procedures.

3.22.3.122
(11-27-2020)

**Error Code 070 - At-Risk
Code-Schedule C**

- (1) EC 070 generates when the At-Risk Code is inconsistent with Schedule C data.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 070*, for screen display, invalid conditions and correction procedures.

Note: Form 6198 is a valid form with Form 1040-NR, and starting in PY21, it will be transcribed by ISRP and MEF. If Form 6198 is not transcribed, search Form 1040-NR for an attached Form 6198 and if found GTSEC 31 to enter amounts in the available fields.

3.22.3.123
(11-27-2020)

**Error Code 072 - At-Risk
Code-Schedule F**

- (1) EC 072 generates when the At-Risk Code is inconsistent with Schedule F.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 072*, for screen display, invalid conditions and correction procedures.

Note: Form 6198 is a valid form with Form 1040-NR, and starting in PY21, it will be transcribed by ISRP and MEF. If Form 6198 is not transcribed, search Form 1040-NR for an attached Form 6198 and if found GTSEC 31 to enter amounts in the available fields.

3.22.3.124
(11-27-2020)

**Error Code 073 -
Schedule C/Schedule F
At Risk**

- (1) EC 073 generates when Schedule C/Schedule F is inconsistent with the At Risk Code.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 073*, for invalid conditions and correction procedures.

Note: Form 6198 is a valid form with Form 1040-NR, and starting in PY21, it will be transcribed by ISRP and MEF. If Form 6198 is not transcribed, search Form 1040-NR for an attached Form 6198 and if found GTSEC 31 to enter amounts in the available fields.

3.22.3.124.1
(01-01-2026)

**Fields Displayed - EC
073**

- (1) The following fields are displayed for EC 073.

1040-NR	Field Title
0403	Combined Schedule C Profit or Loss
>>>>	Combined Schedule C Profit or Loss Computer
0406	Combined Schedule F Profit or Loss
>>>>	Combined Schedule F Profit or Loss Computer
S09NP	Section 09 Not Present
0901	Gross Receipts
0902	Returns and Allowances
0904	Cost of Goods Sold IMF
0906	Schedule C Other Income
09EXP	Total Deductions
0930	Business At Home Expenses Section 09 Amount
09AR	At-Risk Code IMF
09NET>	Schedule C Profit or Loss Computer Section 09
09PAL	Passive Activity Loss Section 09 Indicator
S10NP	Section 10 Not Present
1001	Gross Receipts
1002	Returns and Allowances
1004	Cost of Goods Sold IMF

1040-NR	Field Title
1006	Schedule C Other Income
10EXP	Total Deductions
1030	Business At Home Expenses Section 10 Amount
10AR	At-Risk Code IMF
10NET>	Schedule C Profit or Loss Computer Section 10
10PAL	Passive Activity Loss Section 10 Indicator
S11NP	Section 11 Not Present
1101	Gross Receipts
1102	Returns and Allowances
1104	Schedule C Other Income
1106	Total Deductions
11EXP	Business At Home Expenses Section 11 Amount
1130	At-Risk Code IMF
11AR	Schedule C Profit or Loss Computer Section 11
11NET>	Schedule C Profit or Loss Computer Section 11
11PAL	Passive Activity Loss Section 11 Indicator
S14NP	Section 14 Not Present
1409	Gross Profits Cash
1433	Total Farm Expenses
1434>	Schedule F Profit or Loss Computer Section 14
14PAL	Passive Activity Loss Section 14 Indicator
14AR	At-Risk Code IMF
1450	Gross Profit Accruals
S15NP	Section 15 Not Present
1509	Gross Profits Cash
1533	Total Farm Expenses
1534>	Schedule F Profit or Loss Computer Section 15
15PAL	Passive Activity Loss Section 15 Indicator
15AR	At-Risk Code IMF
1550	Gross Profit Accruals
S31NP	Section 31 Not Present
3105	Overall Profit or Loss
3120	At-Risk Amount

1040-NR	Field Title
3121	Deductible Loss

- 3.22.3.125
(01-01-2015)
Error Code 074 - Cash and Accrual
- (1) EC 074 generates when both the Cash and Accrual Method is present.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 074* for screen display, invalid conditions and correction procedures.

- 3.22.3.126
(01-01-2016)
Error Code 075 to 084
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and correction procedures.

- 3.22.3.127
(01-01-2016)
Error Code 085 - Foreign Tax Credit Form 1116
- (1) EC 085 generates when:
 - a. Foreign Tax Credit is present and Section 19 is not present; and either
 - b. Filing Status is 2 and Foreign Tax Credit is greater than \$600.00; or
 - c. Filing Status is other than 2 and Foreign Tax Credit is greater than \$300.00.

- 3.22.3.127.1
(01-01-2025)
Fields Displayed - EC 085
- (1) The following fields are displayed for EC 085

1040-NR	Field Title
CL	Clear Code
01ACD	Audit Code
0521A	Excess APTC Repayment Amount
05301	Foreign Tax Credit
05302	Child Care Credit
S19NP	Section 19 Not Present

- 3.22.3.127.2
(04-28-2022)
Error Code 085 - Foreign Tax Credit Form 1116
- (1) Correct coding and transcription errors and misplaced entries.
 - (2) If Form 1116 is present and has not been transcribed GTSEC 19 and enter all fields of data.

Note: If Code & Edit has edited Form 1116 see the instructions in EC 310 IRM 3.22.3.232.2.
 - (3) If Form 1116 is not present SSPND 215 and correspond for the missing form.

- 3.22.3.128
(01-01-2016)
Error Code 087
Schedule SE and RPC N or S
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 087*, for screen displays, invalid conditions and correction procedures.
- 3.22.3.129
(11-27-2020)
Error Code 088 - Self-Employment Tax Liability
- (1) EC 088 generates when data on Self-Employment (SE) is inconsistent with the SE exempt code. EC 088 generates for Form 1040 and does not generate for Form 1040-NR.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 088* for screen display and invalid conditions and **IRM 3.12.3 and IRM 3.22.3 for correction procedures.**
- 3.22.3.129.1
(04-28-2022)
Correction Procedures - EC 088 - Form 1040
- (1) Use these instructions along with IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* when correcting EC 088 on Form 1040.
- Note:** EC 088 does not generate for Form 1040-NR. Do not correspond for self-employment tax liability on Form 1040-NR. Follow the intent of the taxpayer .
- (2) Totalization Agreements or Bilateral Social Security Agreements were enacted in order to eliminate dual coverage and dual contributions to the social security system for the same work. This ensures that Social Security taxes (including SE tax) are paid only to one country. Enter RPC "S" in Field 01RPC when self-employment income is clearly indicated, Section 17 **is not present**, and the taxpayer resides in one of the countries listed below:
- Australia
 - Austria
 - Belgium
 - Brazil
 - Canada
 - Chile
 - Czech Republic
 - Denmark
 - Finland
 - France
 - Germany
 - Greece
 - Hungary
 - Iceland
 - Ireland
 - Italy
 - Japan
 - Luxembourg
 - Netherlands
 - Norway
 - Poland
 - Portugal
 - Slovak Republic
 - Slovenia
 - South Korea
 - Spain
 - Sweden

- Switzerland
- United Kingdom (England, Northern Ireland, Scotland and Wales)
- Uruguay

- (3) A foreign agricultural worker temporarily admitted into the United States on a **H-2A visa** is exempt from Self-Employment tax, whether a resident alien filing a Form 1040 or a nonresident alien. Though these wages are typically reported by the employer on a Form W-2, the wages may be reported on a Form 1099-MISC. If EC 088 generates for income earned for agricultural work by a H-2A visa holder then enter a "S" in Field 01RPC.
- (4) Enter RPC "S" in Field 01RPC when the taxpayer indicates that they are not liable for Self-Employment tax or if the taxpayer indicates that Form 4361 or Form 4029 was filed.
- (5) A notation of "QJV" is an indication that there is no Self-Employment liability. Enter RPC "S" in Field 01RPC when present.
- (6) SSPND 215 selecting paragraph 6 on Form 13900 if the taxpayer does **not** meet the criteria in (2), (3) or (4) above on Form 1040.

3.22.3.130
(01-01-2015)
**Error Code 089 - SE
Method**

- (1) EC 089 generates when the SE Schedule data is inconsistent with SE Method Code.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 089*, for invalid conditions and correction procedures.

3.22.3.130.1
(11-27-2020)
**Fields Displayed - EC
089**

- (1) The following fields are displayed for EC 089.

1040-NR	Field Title
CL	Clear Code
0403	Combined Schedule C Profit/Loss
>>>>	Combined Schedule C Profit/Loss Computer
S09NP	Section 09 Not Present
09NET>	Schedule C Profit/Loss Computer Section 09
S10NP	Section 10 Not Present
10NET>	Schedule C Profit/Loss Computer Section 10
S11NP	Section 11 Not Present
11NET>	Schedule C Profit/Loss Computer Section 11
S17NP	Section 17 Not Present
1702	Net Non-Farm Profit/Loss
17TE	Tentative Earnings
17MCD	SE Method Code

- 3.22.3.131
(01-21-2014)
Error Code 090 - 093
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen display, invalid conditions and correction procedures.
- 3.22.3.132
(01-01-2024)
Error Code 094 - SE SSN Not Equal to Secondary SSN
- (1) **Form 1040-SS (sp)/SS-** If a return is submitted with Filing Status 3, only the primary taxpayer's signature, but with SE income for the spouse correspond using Form 13975 as follows:
- Form 1040-SS** - Select fill-in "PL" in Exhibit 3.22.3-13
- Form 1040-SS (sp)** - Select fill-in "PM" in Exhibit 3.22.3-13.
- .
- (2) **Form 1040-SS (sp)/SS** - If return is not Filing Status 3, follow procedures in IRM 3.12.2.3, *Individual Master File Error Resolution General Instructions, Special Procedures*, for multiple filers.
- Note:** For Form 1040-SS (sp) filers assign a TPNC 334
- 3.22.3.133
(01-21-2014)
Error Codes 095 through 099
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen display, invalid conditions and correction procedures.
- 3.22.3.134
(01-01-2015)
Error Code 100 - Form 8941, Primary or Secondary TIN Mismatch
- (1) EC 100 generates when Form 8941 is present and Form 8941 ID Number Field 65SSN/66SSN does not equal Field 01PS and/or Field 01SS.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 100* for screen display and correction procedures.
- 3.22.3.135
(01-01-2017)
Error Code 101 - Form 8941, SHOP Checkbox
- (1) EC 101 generates when Section 65/66 is present, Field 65SHP/Field 66SHP is 0 (zero), 2 or 3, Field 6516/6616 is present, and Field 6516/6616 isn't equal to Field 6515/6615. For TY 2016 and subsequent, EC 101 will also generate when Section 65/66 is present and Form 8941 Two Year Declaration Checkbox has a value other than "2".
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 101* for screen display and correction procedures.
- 3.22.3.136
(01-01-2015)
Error Codes 102 through 113
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and correction procedures.
- 3.22.3.137
(01-01-2015)
Error Code 116 - Withholding Equals Regulated Investment Company Credit or Total Tax
- (1) EC 116 generates when withholding is the same as either the Regulated Investment Company Credit or Total Tax IMF.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 116*, for invalid conditions and correction procedures.

3.22.3.137.1
(11-08-2021)

**Fields Displayed - EC
116**

- (1) The following fields are displayed for EC 116.

1040-NR	Field Title
CL	Clear Code
03TAX	Total Tax IMF
03WH	Withholding from Form(s) W-2 and 1099
0325E	Withholding from Form(s) 8805
0325F	Withholding from Form(s) 8288-A
0325G	Withholding from Form(s) 1042-S
05RIC	Form 2439 Regulated Investment Company Credit

3.22.3.138
(01-01-2015)

**Error Code 118 -
Withholding and Income
Comparison**

- (1) EC 118 generates when the withholding amount is inconsistent with other data on the return.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 118* and IRM 3.22.3 for invalid conditions and correction procedures.

3.22.3.138.1
(01-01-2023)

**Fields Displayed - EC
118**

- (1) The following fields are displayed for EC 118.

1040-NR	Field Title
01FSC	Filing Status Code
01CCC	Computer Condition Code
01SPC	Special Processing Code
01RPC	Return Processing Code
02NC>	Non-Compute Code
03TWG	Total Wages Amount
03INT	Taxable Interest
03DIV	Ordinary Dividend
03QD	Qualified Dividends
04SFG	Scholarship or Fellowship Grant
03TIR	Taxable IRA Distribution
03TPA	Taxable Pensions and Annuities
0407	Taxable Unemployment Compensation
03AGI	Adjusted Gross Income (AGI)
>>>>	AGI Computer Amount
03WH	Withholding from Form(s) W-2 and 1099

1040-NR	Field Title
0325E	Withholding from Form(s) 8805
0325F	Withholding from Form(s) 8288-A
0325G	Withholding from Form(s) 1042-S
03ESP	Estimated Tax Payments
0329	Form 1040C Credit
03BDR	Balance Due/Overpayment Taxpayer
>>>>	Balance Due/Overpayment Computer
03BDR>	Balance Due/Overpayment Taxpayer Computer
03CEL	Estimated Tax Credit Elect
04OTI	Other Income Amount
09NET>	Schedule C Profit/Loss Computer-Section 09
10NET>	Schedule C Profit/Loss Computer-Section 10
11NET>	Schedule C Profit/Loss Computer-Section 11
1332>	Partnership S Corporation Income Loss Computer
1434>	Schedule F Profit/Loss Computer-Section 14
1534>	Schedule F Profit/Loss Computer-Section 15
S46NP	Section XX Not Present

3.22.3.138.2
(11-08-2021)
Invalid Condition - EC 118

nificant and RPC "G" is not present, and either:

Taxable Dividends, Taxable IRA Distributions, Taxable Pension/Annuity
and Taxable Social Security.

Note: Only the withholding reported in Field 03WH is used in the EC 118 calculation for Form 1040-NR.

3.22.3.138.3
(11-08-2021)
Correction Procedures - EC 118

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) For Form 1040-NR tax withheld is reported on designated lines depending on the type of form: Form W-2, Form 1099, and Other forms, TY20, line 25d (TY19, line 62a), Form 8805, TY20, line 25e (TY19, line 62b), Form 8288-A, TY20, line 25f (TY19, line 62c), and Form 1042-S, TY20, line 25g (TY19, line 62d) on Form 1040-NR. Each line has its own ERS field. If the tax withheld is reported on the wrong line on the tax form, or transcribed in the wrong field, then it must be moved to the correct field depending on the type of withholding

form. (For instance, if tax withheld on Form 8288-A is reported on line 25g then it must be deleted from Field 0325G in ERS and entered in Field 0325F after verification.)

- (3) On Form 1040-NR each type of withholding has specific requirements for documentation and validation. If withholding entered in Field 03WH (Form 1040-NR) is from a form other than Form W-2 or Form 1099 then use the instructions at IRM 3.22.3.264.4, **EC 366** to validate the claims. Correct misplaced entries.
- (4) If the amount on Form 1040 line 25d, is identified as tax withheld from Form 1042-S, Form 8805, or Form 8288-A, then follow the instructions in IRM 3.22.3.264.3, *Error Code 366* for the applicable withholding form.
- (5) If the withholding reported is from a U.S. territory, follow the instructions at IRM 3.22.3.264.3.2, *Form 1040 Federal Withholding*.
- (6) If the withholding reported is foreign and not U.S. federal withholding, disallow the foreign withholding claimed and assign TPNC 438.
- (7) If the taxpayer exempted all or part of the income reported on Form W-2 or Form 1099 with a valid tax treaty enter RPC G.
- (8) If the nonresident alien taxpayer on Form 1040-NR indicates that the income from Form W-2 is payment for services performed partly inside and partly outside of the United States then enter RPC G.
- (9) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 118*, for additional procedures.

3.22.3.139
(01-01-2015)
**Error Code 122 - CCC
"G", "B" or RPC "L" Not
Present/Zero Return**

- (1) EC 122 generates when there is inconsistent data on the return.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 122* for invalid conditions and correction procedures.

3.22.3.139.1
(01-01-2023)
**Fields Displayed - EC
122**

- (1) The following fields are displayed for EC 122.

1040-NR	Field Title
01CCC	Computer Condition Code
01RPC	Return Processing Code
02NC>	Non-Compute Code
03WG	W-2 Wages
03TWG	Total Wages
03AGI	Adjusted Gross income
>>>>	Adjusted Gross Income Computer
03TTX	Tentative Tax
>>>>	Tentative Tax Computer

1040-NR	Field Title
03TAX	Total Tax
03WH	Withholding from Form(s) W-2 or 1099
	Withholding from Form(s) 1042-S
03BDR>	Balance Due/Overpayment Taxpayer Computer
>>>>	Balance Due/Overpayment Computer

3.22.3.140
(01-01-2015)
**Error Code 123 -
Non-Compute Code 2
and Preparer's Data
Present**

- (1) EC 123 generates when the return is identified as a non-compute and data is present for a preparer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 123* for invalid conditions and correction procedures.

3.22.3.140.1
(01-01-2023)
**Fields Displayed - EC
123**

- (1) The following fields are displayed for EC 123.

1040-NR	Field Title
CL	Clear Code
01CCC	Computer Condition Code
03PT	Preparer's TIN
03PE	Preparer's EIN
02NC>	Non-Compute Code
03WH	Withholding from Form(s) W-2 or 1099
	Withholding from Form(s) 1042-S
03BDR	Balance Due/Refund
03CEL	Estimated Tax Credit Elect
03PC	Preparer's Code

3.22.3.141
(01-01-2015)
**Error Code 124 CCC
"A", "F" or "9"**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 124* for screen displays, invalid conditions and correction procedures.

3.22.3.142
(01-01-2015)
Error Codes 130 - 146

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and correction procedures.

3.22.3.143
(01-01-2015)
**Error Code 148 - Form
2555 Incompatible
Residency Dates**

- (1) EC 148 generates when beginning and ending dates are inconsistent.

3.22.3.143.1
(01-01-2023)
**Fields Displayed - EC
148**

- (1) Error Codes 148, 150 and 152 all relate to date information in reference to Sections 34 and 35. Special care must be taken when resolving these error codes. ERS tax examiners must be certain to use date information present at the specific lines referenced in these error codes. There should never be any deviations from the specific instructions outlined in these 3 error codes.
- (2) The following fields are displayed for EC 148.

Form 2555	Field Title
34BD1	Beginning Date 1 Section 34
34ED1	Ending Date 1 Section 34
34BD2	Beginning Date 2 Section 34
34ED2	Ending Date 2 Section 34
35BD1	Beginning Date 1 Section 35
35ED1	Ending Date 1 Section 35
35BD2	Beginning Date 2 Section 35
35ED2	Ending Date 2 Section 35

3.22.3.143.2
(09-07-2016)
**Invalid Conditions - EC
148**

- (1) EC 148 generates when Section 34/35 is present, Field 34BD1 or Field 35BD1 is significant, and any of the following conditions exist:
- Field 34/35ED1 is significant, and Field 34/35ED1 is less than Field 34/35BD1, or
 - Field 34/35ED1 is not significant, or
 - Field 34/35BD2 is significant, or
 - Field 34/35ED2 is significant.
- (2) EC 148 also generates when Section 34/35 is present, Field 34BD1 or Field 35BD1 is not significant, and any of the following conditions exist:
- Field 34/35ED1 is significant, or
 - Field 34/35ED1 is not significant, and Field 34/35BD2 is significant, and Field 34/35ED2 is significant, and Field 34/35ED2 is less than Field 34/35BD2, or
 - Field 34/35ED1 is not significant, and Field 34/35BD2 is significant, and Field 34/35ED2 is not significant, or
 - Field 34/35ED1 is not significant, and Field 34/35BD2 is not significant, and Field 34/35ED2 is significant.

3.22.3.143.3
(03-12-2025)

**Correction Procedures -
EC 148**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) See “General Requirements for Form 2555” at IRM 3.22.3.42.1 for the bona fide residence test and physical presence test qualifications. To qualify for bona fide residence the taxpayer must reside in a foreign country or countries for an uninterrupted period that includes an entire tax year (January 1 through December 31 for taxpayers who file on a calendar year basis) and at least part of the tax year of the return. To qualify based on physical presence the taxpayer must reside in a foreign country or countries for at least 330 full days during any 12-month period and at least part of the tax year of the return. In some cases, if a prior year exclusion is notated on line 45 of Form 2555 the residency period might not include a part of the tax year of the return.
- (3) If valid bona fide residence test dates (line 10 Form 2555) are available, enter in Fields 34BD1 and 34ED1 or Fields 35BD1 and 35ED1 in YYYYMM format.
- (4) If valid physical presence dates (line 16, Form 2555) are available, enter in Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2 in YYYYMM format.
- (5) If no beginning dates or ending dates are present see the instructions in EC 150 and EC 152.
- (6) If valid bona fide residence and physical presence test dates are both available use the dates that reflect the **longest** period. If the same dates are used, delete the physical presence test dates (Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2).
- (7) If a bona fide residence or physical presence test beginning date is present, but the ending date is not present, use the received date stamped on the return as the ending date if the taxpayer indicates continuing presence, such as: “still here”, “continues”, “N/A”. If no received date is present use the current date as the ending date. If the period meets the requirements of the bona fide residency or physical presence test then enter the ending date in Field 34/35ED1 or 34/35ED2.
- (8) If both beginning and ending dates are present for the bona fide residence test but the dates don’t qualify the taxpayer for bona fide residence, determine the number of days during the period that are within the tax year of the return. If between 330 to 364 days, then enter the dates as valid physical presence test dates.
- (9) If the bona fide residence test **ending date is earlier than the beginning date** then delete the dates in Fields 34BD1 and 34ED1 or Fields 35BD1 and 35ED1 and determine the dates using the correction procedures below:

If	Then
Valid physical presence test dates are present,	Enter physical presence test dates in Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2.

If	Then
Line 31 or 38 of Form 2555 is between 330 and 364 days,	Enter physical presence test dates in Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2
Line 31 or 38 of Form 2555 is 365 days,	Enter bona fide residence test dates for January through December in Fields 34BD1 and 34ED1 or Fields 35BD1 or 35ED1.
Line 31 or 38 of Form 2555 is 329 days or less, or blank,	<ol style="list-style-type: none"> TY19 and later, check if any one of the following notations is present: <ul style="list-style-type: none"> • <i>Rev. Proc. 2020-27</i> • adverse conditions • could not meet 330 days test due to emergency (for example: Medical condition or Travel restrictions) If any one of the notation from the above is present, allow the foreign earned income exclusion and enter the physical presence test dates in YYYYMM format in fields 34BD2 and 34ED2 If there are no notations on TY19 and later returns or if the return is for TY18 and prior, GTSEC 04 and adjust Field 04OTI (delete Foreign Earned Income Exclusion amount), adjust Field 04ADJ (delete Housing Deduction amount), make sure the foreign earned income is reported in Section 04 and DLSEC 34/35. Note: If the deleted Form 2555 was the only foreign aspect of the return, SSPND 610 to renumber as a domestic return.

- (10) If the physical presence test **ending date is earlier than the beginning date**, then delete the dates in Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2 and determine the dates using the correction procedures below:

If	Then
Valid bona fide residence test dates are present,	Enter bona fide residence test dates in Fields 34BD1 and 34ED1 or Fields 35BD1 and 35ED1.
Line 31 or 38 of Form 2555 is between 330 and 364 days,	Enter physical presence test dates in Fields 34BD2 and 34ED2 or Fields 35BD2 and 35ED2.
Line 31 or 38 of Form 2555 is 365 days,	Enter bona fide residence test dates for January through December in Fields 34BD1 and 34ED1 or Fields 35BD1 or 35ED1.

If	Then
Line 31 or 38 of Form 2555 is 329 days or less, or blank,	<ol style="list-style-type: none"> TY19 and later, check if any one of the following notations is present: <ul style="list-style-type: none"> Rev. Proc. 2020-27 adverse conditions could not meet 330 days test due to emergency (for example: Medical condition or Travel restrictions) If any one of the notation from the above is present, allow the foreign earned income exclusion and enter the physical presence test dates in YYYYMM format in fields 34BD2 and 34ED2 If there are no notations on TY19 and later returns or if the return is for TY18 and prior, GTSEC 04 and adjust Field 04OTI (delete Foreign Earned Income Exclusion amount), adjust Field 04ADJ (delete Housing Deduction amount), make sure the foreign earned income is reported in Section 04 and DLSEC 34/35. Note: If the deleted Form 2555 was the only foreign aspect of the return, SSPND 610 to renumber as a domestic return.

- (11) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country

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continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh

Tax Year	Countries That Qualify for Waiver
2023	Ukraine, Belarus, Sudan, Haiti, Niger, and Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

- (12) In some cases, if a prior year exclusion is notated on line 45 of Form 2555 the residency period might not include a part of the tax year of the return. If the taxpayer indicates that the amount on line 45 of Form 2555 is for a prior year exclusion then do not correspond for residency dates.
- (13) If the taxpayer provides both dates for Bona Fide Residence Test and Physical Presence Test and they do not qualify, GTSEC 04 and adjust Field 04OTI (delete Foreign Earned Income Exclusion amount), adjust Field 04ADJ (delete Housing Deduction amount), and make sure the foreign earned income is reported in Section 04 and DLSEC 34/35.

Note: If the deleted Form 2555 was the only foreign aspect of the return, SSPND 610 to renumber as a domestic return.

- (14) If unable to determine dates, SSPND for correspondence with Action Code 215.

3.22.3.144
(01-01-2023)
**Error Code 150 - Form
2555(Section 34),
Residency Dates
Missing**

- (1) EC 150 generates when Section 34 is present with significant entries and the bona fide residence and physical presence test dates are missing.

3.22.3.144.1
(01-01-2015)
**Fields Displayed - EC
150**

- (1) The following fields are displayed for EC 150

2555	Field Title
34BD1	Beginning Date 1 Section 34
34ED1	Ending Date 1 Section 34
34DIN	Declaration
3414R	Number of Days in United States 1
34BD2	Beginning Date 2 Section 34
34ED2	Ending Date 2 Section 34
3418R	Number of Days in United States 2
3419	Wages
3422G	Total Allowances
3425	Meals and Lodging
3433	Housing Expenses
3442	Foreign Earned Income Exclusion
3445	Total Foreign Income/Housing Exclusion Amount
3450	Housing Deduction

3.22.3.144.2
(09-07-2016)
**Invalid Conditions - EC
150**

- (1) EC 150 generates when Section 34 is present, beginning and ending residency dates are missing from Fields 34BD1, 34ED1, 34BD2, and 34ED2, and any of the following fields are significant:
- Declaration (Field 34DIN)
 - Number of Days in United States 1 (Field 3414R)
 - Number of Days in United States 2 (Field 3418R)
 - Form 2555 Wages (Field 3419)
 - Total Allowances (Field 3422G)
 - Meals and Lodging (Field 3425)
 - Housing Expense (Field 3433)
 - Foreign Earned Income Exclusion (Field 3442)
 - Housing Deduction (Field 3450)

3.22.3.144.3
(03-12-2025)

**Correction Procedures -
EC 150**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) See “General Requirements for Form 2555” at IRM 3.22.3.42.1 for the bona fide residence test and physical presence test qualifications. To qualify for bona fide residence the taxpayer must reside in a foreign country or countries for an uninterrupted period that includes an entire tax year (January 1 through December 31 for taxpayers who file on a calendar year basis) and at least part of the tax year of the return. To qualify based on physical presence the taxpayer must reside in a foreign country or countries for at least 330 full days during any 12-month period and at least part of the tax year of the return.
- (3) In some cases, if a prior year exclusion is notated on line 45 of Form 2555 the residency period might not include a part of the tax year of the return. If the taxpayer indicates that the amount on line 45 of Form 2555 is for a prior year exclusion then do not correspond for residency dates.
- (4) If bona fide residence test dates (line 10 Form 2555) are available or if physical presence test dates (line 16, Form 2555) are available, then follow the instructions in EC 148 at IRM 3.22.3.143.3.
- (5) When dates are missing, check the number of days on line 31 or 38, Form 2555):
 - a. If the number of days is **365 days**, then enter bona fide residence test dates in YYYYMM format in fields 34BD1 and 34ED1 to cover at least a full calendar year.
 - b. If the number of days is **between 330 and 364 days**, then enter physical presence test dates in YYYYMM format in fields 34BD2 and 34ED2.
 - c. If the number of days is **329 days or less**, and any dates are missing, SSPND 215 selecting paragraph Q on Form 13900.

Exception: TY19 and later, if the dates are missing and any of the following notations are present, *Rev. Proc. 2020-27*, “adverse conditions” or “could not meet 330 days test due to emergency (for example: Medical condition or Travel restriction)”, then allow the foreign earned income exclusion and enter the physical presence test dates in YYYYMM format in fields 34BD2 and 34ED2.

- (6) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country

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continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Ukraine, Belarus, Sudan, Haiti, Niger, Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali

Tax Year	Countries That Qualify for Waiver
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries.
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

- (7) If unable to determine dates, SSPND 215 selecting paragraph Q on Form 13900.

3.22.3.145
(01-01-2023)
Error Code 152 - Form 2555 (Section 35), Residency Dates Missing

- (1) EC 152 generates when Section 35 is present with significant entries and the bona fide residence and physical presence test dates are missing.

3.22.3.145.1
(01-01-2015)
Fields Displayed - EC 152

- (1) The following fields are displayed for EC 152

2555	Field Title
35BD1	Beginning Date 1 Section 35
35ED1	Ending Date 1 Section 35
35DIN	Declaration
3514R	Number of Days in United States 1

2555	Field Title
35BD2	Beginning Date 2 Section 35
35ED2	Ending Date 2 Section 35
3518R	Number of Days in United States 2
3519	Wages
3522G	Total Allowances
3525	Meals and Lodging
3533	Housing Expenses
3542	Foreign Earned Income Exclusion
3445	Total Foreign Income/Housing Exclusion Amount
3550	Housing Deduction

3.22.3.145.2
(09-07-2016)

Invalid Conditions - EC 152

- (1) EC 152 generates when Section 35 is present, beginning and ending residency dates are missing from Fields 35BD1, 35ED1, 35BD2, and 35ED2, and any of the following fields are significant:

- Declaration (Field 35DIN)
- Number of Days in United States 1 (Field 3514R)
- Number of Days in United States 2 (Field 3518R)
- Form 2555 Wages (Field 3519)
- Total Allowances (Field 3522G)
- Meals and Lodging (Field 3525)
- Housing Expense (Field 3533)
- Foreign Earned Income Exclusion (Field 3542)
- Housing Deduction (Field 3550)

3.22.3.145.3
(03-12-2025)

Correction Procedures - EC 152

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) See “General Requirements for Form 2555” at IRM 3.22.3.42.1 for the bona fide residence test and physical presence test qualifications. To qualify for bona fide residence the taxpayer must reside in a foreign country or countries for an uninterrupted period that includes an entire tax year (January 1 through December 31 for taxpayers who file on a calendar year basis) and at least part of the tax year of the return. To qualify based on physical presence the taxpayer must reside in a foreign country or countries for at least 330 full days during any 12-month period and at least part of the tax year of the return.
- (3) In some cases, if a prior year exclusion is notated on line 45 of Form 2555 the residency period might not include a part of the tax year of the return. If the taxpayer indicates that the amount on line 45 of Form 2555 is for a prior year exclusion then do not correspond for residency dates.
- (4) If bona fide residence test dates (line 10 Form 2555) are available or if physical presence test dates (line 16, Form 2555) are available, then follow the instructions in EC 148 at IRM 3.22.3.143.3.

- (5) When dates are missing, check the number of days on line 31 or 38, Form 2555:
- If the number of days is **365 days**, then enter bona fide residence test dates in YYYYMM format in fields 35BD1 and 35ED1 to cover at least a full calendar year.
 - If the number of days is **between 330 and 364 days**, then enter physical presence test dates in YYYYMM format in fields 35BD2 and 35ED2.
 - If the number of days is **329 days or less**, and any dates are missing, SSPND 215 selecting paragraph Q on Form 13900.

Exception: On a TY19 and later returns, if the dates are missing and any of the following notations are present, *Rev. Proc. 2020-27*, “adverse conditions” or “could not meet 330 days test due to emergency (for example: Medical condition or Travel restriction)”, then allow the foreign earned income exclusion and enter the physical presence test dates in YYYYMM format in fields 34BD2 and 34ED2.

- (6) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country

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continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Ukraine, Haiti, Niger, Belarus, Sudan, Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen

Tax Year	Countries That Qualify for Waiver
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

- (7) If unable to determine dates, SSPND 215 selecting paragraph Q on Form 13900.

3.22.3.146
(01-01-2023)

Error Code 154 - Form 2555 and Foreign Income Exclusion

- (1) EC 154 generates when Section 34/35 is present and the foreign earned income exclusion is greater than the maximum amount allowed.

3.22.3.146.1
(01-01-2013)

Fields Displayed - EC 154

- (1) The following fields are displayed for EC 154.

1040	Field Title
CL	Clear Code Field
01TXP	Tax Period
3442	Foreign Earned Income Exclusion Section 34
3445	Total Foreign Earned Income Exclusion - Section 34
3542	Foreign Earned Income Exclusion Section 35
3545	Total Foreign Earned Income Exclusion - Section 35

3.22.3.146.2
(01-01-2026)

Invalid Conditions - EC 154

- (1) Section 34 and/or 35 are present and Foreign Earned Income Exclusion is greater than:
- \$130,000 for tax year 202512
 - \$126,500 for tax year 202412
 - \$120,000 for tax year 202312
 - \$112,000 for tax year 202212
 - \$108,700 for tax year 202112
 - \$107,600 for tax year 202012
 - \$105,900 for tax year 201912
 - \$103,900 for all other years

3.22.3.146.3
(01-01-2026)

**Correction Procedures -
EC 154**

- (1) Correct coding and transcription errors and misplaced entries on fields displayed.
- (2) Section 34/35 is dollars only.
- (3) See "General Requirements for Form 2555" at IRM 3.22.3.42.1 for procedures to follow when the primary and secondary taxpayers have combined their foreign income on one Form 2555, and for a taxpayer with multiple Form 2555 that need to be combined.
- (4) If data has been correctly transcribed, change line 42, Form 2555 (Field 3442), and change the appropriate line on Form 1040, limiting the Foreign Earned Income Exclusion to:
 - \$130,000 for tax year 202512
 - \$126,500 for tax year 202412
 - \$120,000 for tax year 202312
 - \$112,000 for tax year 202212
 - \$108,700 for tax year 202112
 - \$107,600 for tax year 202012.
 - \$105,900 for tax year 201912.
 - \$103,900 for tax year 201812.
 - \$102,100 for tax year 201712
 - \$101,300 for tax year 201612
 - \$100,800 for tax year 201512
 - \$99,200 for tax year 201412

Note: Be sure to also recompute line 45 (using Lines 36, corrected 42, and 44), if the taxpayer's is claiming the housing exclusion or has any entries on line 44.

3.22.3.147
(01-01-2020)

**Error Code 156 -
Questionable Earned
Income on Form 2555
Form 1040**

- (1) EC 156 generates when:
 - a. The sum of Section 34 Foreign Earned Income Exclusion (line 42 of Form 2555) and Section 35 Foreign Earned Income Exclusion (line 42 of Form 2555) is greater than the sum of Wages, Schedule C Profit Loss Computer Section 09/10/11, Nonpassive Income Partnership/S Corporation Amount (Field 1329K), Nonpassive Loss Partnership/S Corporation Amount (Field 1329I) and Schedule F Profit Loss Computer Section 14/15 **or**
 - b. Section 34 Total Foreign Income Exclusion Amount (line 45 of Form 2555) is greater than \$0.00 or Section 35 Total Foreign Income Exclusion Amount (line 45 of Form 2555) is greater than \$0.00, and the sum of Section 34 Total Foreign Income Exclusion Amount and Section 35 Total Foreign Income Exclusion Amount is not equal to Other Income Amount (Line 8, Schedule 1, of Form 1040).

3.22.3.147.1
(03-03-2023)

**Fields Displayed - EC
156**

- (1) The following fields are displayed for EC 156

1040	Field Title
CL	Clear Code
03TWG	Wages

1040	Field Title
0403	Combined Schedule C Profit/Loss
>>>>	Combined Schedule C Profit/Loss Computer
1329I	Partnership/S Corporation Nonpassive Loss
1329K	Partnership/S Corporation Nonpassive Income
0406	Combined Schedule F Profit/Loss
>>>>	Combined Schedule F Profit/Loss Computer
04OTI	Other Income Amount
3442	Foreign Earned Income Exclusion -Section 34
3445	Total Foreign Earned Income Exclusion - Section 34
3542	Foreign Earned Income Exclusion - Section 35
3545	Total Foreign Earned Income Exclusion - Section 35
S34NP	Section 34 Not Present
S35NP	Section 35 Not Present

3.22.3.147.2
(01-01-2026)

**Correction Procedures
(EC 156)**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Read and implement all applicable instructions in this error code before using the clear field.
- (3) If a Form 2555 includes foreign earned income for both the primary and secondary taxpayers see the procedures in “General Requirements for Form 2555” at IRM 3.22.3.42.1.
- (4) If there are multiple Form 2555 for a single taxpayer then GTSEC 34 or 35 and enter the combined information for all available fields.
- (5) If the taxpayer indicates on Form 1040 or on Form 2555 that employer provided meals and lodging are excluded under IRC 119 then allow the additional amount excluded under IRC 119.
- (6) **All foreign earned income excluded on Form 2555 must be reported as income on the applicable income lines of Form 1040 and Schedule 1.** Follow the procedures in EC 218 at IRM 3.22.3.168.2.3.1 (4) for reviewing income and adjusting the return if the taxpayer failed to include foreign earned income on Form 1040. Do not adjust Field 3419, Field 3422G, Field 3425, or similar fields in Section 35.

Note: If the taxpayer failed to include any of his/her foreign earned income on page 1 of the Form 1040 and/or Schedule 1, be sure to also assign TPNC 385 when EC 218 generates.

- (7) If the taxpayer is excluding **unearned income** (e.g., interest, dividends, pensions, rental income) on Form 2555 then adjust Section 04 and Section 34/35 using the instructions in EC 218 at IRM 3.22.3.168.2.3.1 (4)(c). Assign TPNC 384 when EC 218 generates.
- (8) In most cases when only wages are excluded, Field 04OTI is a negative amount that is the same as the positive amount in Field 3445 and 3545. If Field 04OTI doesn't match the total of Fields 3445 and 3545 follow the table below.

Note: If IRC 965 income is notated on line 8, GTSEC 01 and enter F in Field 01RPC and transmit. SSPND 300 when EC 156 redisplay.

If	And	Then
Line 9, Schedule 1, of Form 1040 includes earned income,	The earned income is identified as wages on line 9 or on an attachment, Note: If the earned income on line 9 is other than wages see paragraph (9) below.	1. Delete the wages amount from Field 04OTI. 2. Add the amount to Field 03WG and Field 03TWG.
Line 9, Schedule 1, includes amounts other than the foreign earned income exclusion (e.g., Net Operating Loss (NOL),	A manual calculation shows that the amount from Field 3445 and Field 3545 was transferred correctly to line 9,	Enter a C in the Clear Code field.
Line 45 of Form 2555, is positive,	The exclusion amount transferred to Line 8d is also positive,	1. Recompute the amount included in Field 04OTI with the exclusion amount as a negative. 2. If EC 218 generates assign TPNC 308.
Line 45 of Form 2555 is a negative amount,	The exclusion amount on line 8d is positive,	1. Delete the amount in Field 3445 and 3545, 2. If EC 156 generates enter "C" in the Clear Code field.

- (9) Foreign earned income is reported in Part IV of Form 2555, with wages reported on line 19; business, farming, and professional income on line 20a; and partnership income on line 20b. The foreign earned income on Form 2555 must also be reported as earned income on Form 1040 along with applicable supporting schedules.

If	Then
The taxpayer is reporting income on line 20a of Form 2555 AND no Schedule C or Schedule F is attached,	SSPND 215 for missing Schedule(s) (See Note below)
The taxpayer is reporting income on line 20b of Form 2555 AND no Schedule E is attached,	SSPND 215 for missing Schedule E
The taxpayer is reporting earned income on Line 8, Schedule 1, Form 1040, does not indicate the income is wages, and excludes the income on Form 2555,	SSPND 215 for missing Schedule C (See Note below)

Note: When corresponding for Schedule C and/or Schedule F, follow the instructions in IRM 3.22.3.129.1 to determine if the taxpayer may be liable for self-employment tax. If the taxpayer may be liable, use Form 13900 and select paragraph 6.

- (10) If foreign earned income other than wages is excluded then a manual computation is necessary to determine the correct exclusion amount. The taxpayer cannot claim any adjustment, deduction or expense on Form 1040 that is definitely related to the excluded income. The foreign earned income exclusion on Form 2555 must be reduced by the allocable amounts. If earned income other than wages is being reported follow instructions in the table below. Examples can be found in IRM Exhibit 3.22.3-16.

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Steps	Action To Be Taken
<p>Step 1. Calculate the total foreign earned income for the taxpayer claiming the exclusion by adding the taxpayer's amounts for:</p> <ul style="list-style-type: none"> • Foreign wages (line 19, Form 2555) • Line 7, Schedule C • Line 9, Schedule F • Line 29a, column (k), Schedule E <p>Note: Only include income that the taxpayer has identified as foreign earned income.</p>	Use this amount as Total Foreign Earned Income (FEI) in the steps below.
<p>Step 2. Percentage for Allocation Divide the amount on line 43, Form 2555 by the Total FEI from Step 1 (maximum exclusion amount is \$130,000 for TY 2025)</p> <p>Note: Line 43 is the maximum exclusion amount on line 42 and the housing exclusion on line 36.</p>	Use this percentage in Step 3 and 4.
<p>Step 3. Allocable Adjustments Calculate adjustments by adding the amounts on lines 11-25, Schedule 1 Form 1040 that are directly related to the FEI (e.g., SE tax deduction, moving expenses),</p>	Multiply this amount by the percentage in Step 2 to figure Allocable Adjustments.
<p>Step 4. Allocable Expenses Calculate the total expenses and losses related to the FEI by adding:</p> <ul style="list-style-type: none"> • Line 28 plus Line 30, Schedule C • Line 33, Schedule F • Line 29b, column (h), Schedule E 	Multiply this amount by the percentage in Step 2 to figure Allocable Expenses.

Steps	Action To Be Taken
Step 5. Total Foreign Earned Income Exclusion Calculate the FEI exclusion: <ul style="list-style-type: none"> Line 43, Form 2555. If field 3445/ 3545 amount was adjusted after following instructions in paragraph 6 use the adjusted amount in the calculation. Less Allocable Adjustments (Step 3) Less Allocable Expenses (Step 4) 	<ol style="list-style-type: none"> If the calculated Total Foreign Earned Income Exclusion is greater than or equal to line 45, Form 2555, enter a "C" in the Clear Field. If the calculated total is less than line 45, Form 2555, then enter the calculated amount in Field 04OTI (as a negative) and Field 3445/ 3545 (as a positive). If EC 218 generates assign TPNC 303. <p>Note: Adjust Field 04OTI to include any amounts on line 8 other than the FEI exclusion.</p>

3.22.3.148
(01-01-2015)
Error Codes 158 - 160

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and correction procedures.

3.22.3.149
(01-01-2015)
**Error Code 161 -
Schedule H Present
Prior to 199512 or Loose
Schedule H Present**

- (1) EC 161 generates when RPC "Y" is present and Section 44/45 is not present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 161*, for invalid conditions and correction procedures.

3.22.3.149.1
(01-01-2024)
**Fields Displayed - EC
161**

- (1) The following fields are displayed for EC 161.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01RPC	01RPC	Return Processing Code
03TOT		Total Income
>>>>		Total Income Computer
S44DP	S44DP	Section 44 Data Present
	S45DP	Section 45 Data Present

3.22.3.150
(04-28-2022)
**Error Codes 162 - 187 -
Schedule H, Household
Employment Taxes**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions, and correction procedures for EC 162-187 that relate to Schedule H, **Household Employment Taxes**

Note: Error Code 181- When a State Code is required and cannot be determined from the return or attachments, SSPND 215 and correspond.

3.22.3.151
(01-01-2020)
**Error Code 188 - Form
965-A ERS Validation TY
2018 and Later**

- (1) EC 188 generates on TY 201812 and later Form 1040 and Form 1040-NR. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 188*, for invalid conditions.

3.22.3.151.1
(01-01-2023)
**Fields Displayed - EC
188**

- (1) The following fields will display for EC 188.

1040-NR	Field Name
CL	Clear Code Field
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
05965	Sec 965 Tax Installment
05TL	Sec 965 Tax Liability (ERS Only)
03TTX	Tentative Tax
>>>>>	Tentative Tax Computer
S76NP	Section 76 Not Present
76YE1	Elect or Transfer Year 1 Number
76YE2	Elect or Transfer Year 2 Number
76YE3	Elect or Transfer Year 3 Number
76YE4	Elect or Transfer Year 4 Number
76YE5	Elect or Transfer Year 5 Number
76AD1	Part 1 Additional Data Indicator
76TL1	Net Tax Liability Transfer 1 Amount
76TL2	Net Tax Liability Transfer 2 Amount
76TL3	Net Tax Liability Transfer 3 Amount
76TL4	Net Tax liability Transfer 4 Amount
76TL5	Net Tax liability Transfer 5 Amount
76ID1	Buyer Seller Transfer Tin 1 Number
76ID2	Buyer Seller Transfer Tin 2 Number
76ID3	Buyer Seller Transfer Tin 3 Number

1040-NR	Field Name
76ID4	Buyer Seller Transfer Tin 4 Number
76ID5	Buyer Seller Transfer Tin 5 Number
76TR1	Net 965 Tax Liability 1 Amount
76TR2	Net 965 Tax Liability 2 Amount
76TR3	Net 965 Tax Liability 3 Amount
76TR4	Net 965 Tax Liability 4 Amount
76TR5	Net 965 Tax Liability 5 Amount
76AD4	Part 4 Additional Data Indicator
76TOT	Total Deferred Tax Liability Amount

3.22.3.151.2
(11-08-2021)
**Correction Procedures
EC 188 Form 1040-NR
and Dual-Status Form
1040-NR**

- (1) Correct coding and transcription errors and misplaced entries.
- (2) Follow the correction procedures in IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 188*. On TY20, Section 965 installment amount will be transcribed from line 20, Schedule 2, Form 1040-NR.
- (3) TY19 and prior Form 1040-NR doesn't have a dedicated line for Section 965 installment amounts. If an IRC 965 installment amount is added as a write-in on line 60 or 61, also enter this amount in Field 05965.
- (4) A dual-status filer may report an IRC 965 installment amount on a Form 1040 statement for part of the tax year. ERS entries are required for the proper processing of these liabilities on a dual-status return with Form 1040-NR as the controlling return. Follow the instructions in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 188*, and enter the Section 965 installment amount in Field 05965, and the Form 965-A tax liability in Field 05TL.

Note: The installment amount is on Schedule 2, line 20, of the Form 1040 statement. If the amount is transcribed in another field on Form 1040-NR, delete and enter in Field 05965.

- (5) If corresponding for Form 965-A, select any paragraph 3 through 5 on Form 13900.

3.22.3.152
(01-01-2019)
**Error Code 189 - Form
8962 - Verification of
Potentially Excessive
Amounts (ACA)**

- (1) Refer to IRM 3.12.3 Error Resolution, Individual Income Tax Returns, for screen displays, invalid conditions, and correction procedures.

3.22.3.153
(01-01-2024)
Error Code 190 - Form 8962, Premium Tax Credit, Not Present and Advance Premium Tax Credit

- (1) **All tax returns except for Form 1040-SS (sp) and Form 1040-SS** - Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 190*, for screen displays, invalid conditions, correction procedures, and Reply and No Reply procedures.
- (2) If an EC 190 generates on a **TY 2019 Form 1040 MEF** return, check to see if the return meets the following criteria:
 - \$1 in line 2b - Taxable Interest
 - \$1 in line 8b - Adjusted Gross Income
- (3) If the return meets the above criteria from paragraph (2), research CC INOLE and ENMOD to find a complete domestic address. If INOLE or ENMOD results No account on Masterfile, use CC IRPTR for a better address. If CC IRPTR is not available, use CC IRPOLA for a better address. If a domestic address is found correct the address in Section 01. Once the address is corrected, print Section 01 and correspond for EC 190.

Exception: If the return is submitted with a complete domestic address, do not research.

Reminder: Examiners are reminded to correct the address before printing Section 01.

3.22.3.153.1
(01-01-2026)
Fields Displayed - EC 190

- (1) The following fields are displayed for EC 190.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
03DSI		Dependency Status Indicator
01CCC	01CCC	Computer Condition Code
01SPC	01SPC	Special Processing Code
01EXC	01EXC	Exemption Code
94EXV		Exemption Code Verified (ERS input only)
02ARC	02ARC	ACA Resolution Code (ERS input only)
PTCEX>	PTCEX>	AVS Exposure Amount

1040-NR	1040-SS (sp)/1040-SS	Field Title
0521A		Advance Premium Tax Credit (APTC) Repayment
0521A>		Computed APTC Repayment Amount
94ARV		Advance Premium Tax Credit Repayment Verified (ERS input only)
05PTC		Reconciled Premium Tax Credit
05PTC>		Computer Reconciled Premium Tax Credit
S73NP		Section 73 Not Present
S74NP		Section 74 Not Present

3.22.3.153.2
(02-08-2024)

Error Code 190 - Form 1040-SS (sp) and Form 1040-SS Correction Procedures, Reply Procedures, and No Reply Procedures

- (1) **Correction Procedures** - The advance payment of Premium Tax Credit cannot be reconciled on Form 1040-SS (sp) or Form 1040-SS. When EC 190 generates, go to the bottom and transmit. If EC 190 regenerates, SSPND 215 and correspond using paragraph 0 (zero) on Form 13975 for *Letter 2894C*
- (2) **Reply Procedures** - A reply is considered complete when **both** Form 8962 and a signed Form 1040 or Form 1040-NR is received.
 - a. If a complete response is received convert to Form 1040, or Form 1040-NR as indicated by the taxpayer.
 - b. When an error code generates, SSPND 490 and take the return to your lead.

Note: Lead - send the return to P&A to be sent to HQ.
 - c. If the response is incomplete, follow No Reply procedures.
- (3) **No Reply Procedures** - Enter CCC "U" in Field 01CCC and "C" in the Clear Code field.

3.22.3.154
(01-01-2016)

Error Codes 191-199 - Form 8962, Premium Tax Credit

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions, and correction procedures.

3.22.3.155
(01-01-2023)
**Error Code 202/502 -
Schedule C**

- (1) EC 202 generates when Total Income is not equal to Total Income Computer and a math error is present for Schedule C.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 202*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3.155.2 for correction procedures and allowable TPNCs.

3.22.3.155.1
(01-01-2026)
**Fields Displayed - EC
202**

- (1) The following fields are displayed for EC 202.

1040-NR	Field Title
01CCC	Computer Condition Code
01RPC	Returns Processing Code
01FPC	Form Processing Code
01ACD	Audit Code Field
03WG	W-2 Wages
0403	Combined Schedule C Profit/Loss
>>>>	Combined Schedule C Profit/Loss-Computer
0405	Schedule E Profit/Loss
04OTI	Other Income Amount
S09NP	Section 09 Not Present
09STI	Statutory Indicator Section 09
0901	Gross Receipts
0902	Returns and Allowances
0904	Cost of Goods Sold
0906	Schedule C Other Income
09EXP	Schedule C Total Expenses
0930	Expenses for Business Use of Home
09AR	At-Risk Code
09NET>	Schedule C Profit/Loss Computer
09PAL	Passive Activity Loss Section 09 Indicator
S10NP	Section 10 Not Present
10STI	Statutory Indicator Section 10
1001	Gross Receipts
1002	Returns and Allowances
1004	Cost of Goods Sold
1006	Schedule C Other Income
10EXP	Schedule C Total Expenses

1040-NR	Field Title
1030	Expenses for Business Use of Home
10AR	At-Risk Code
10NET>	Schedule C Profit/Loss Computer
10PAL	Passive Activity Loss Section 10 Indicator
S11NP	Section 11 Not Present
11STI	Statutory Indicator Section 11
1101	Gross Receipts
1102	Returns and Allowances
1104	Cost of Goods Sold
1106	Schedule C Other Income
11EXP	Schedule C Total Expenses
1130	Expenses for Business Use of Home
11AR	At-Risk Code
11NET>	Schedule C Profit/Loss Computer
11PAL	Passive Activity Loss Section 11 Indicator
S17NP	Section 17 Not Present
1702	Net Profit/Loss Non-Farm (Primary)
17TE	Tentative Earnings (Primary)
S21NP	Section 21 Not Present
2104	Primary Earned Income

Note: The fields displayed for EC 502 will include a Clear Code field and 02NC> and all other fields will be the same as EC 202.

3.22.3.155.2
(01-01-2023)

Correction Procedures - EC 202

- (1) **Form 1040.** When all Schedule C income is being excluded under IRC 933 or IRC 931, Code & Edit is instructed to "X" the schedule and prepare a dummy Edit did **NOT** prepare the dummy schedule as required, follow this procedure:
 - a. Enter "6" in Field 01RPC.
 - b. Enter an amount in Field 09EXP, 10EXP or 11EXP, as appropriate, so that the net Schedule C profit/loss is \$0. Don't delete Section 09, 10, or 11.
- (2) **Form 1040-NR.** Form 6198 is a valid form with Form 1040-NR, search Form 1040-NR for an attached Form 6198 with paper and MeF and if not transcribed GTSEC 31 to enter amounts in the available fields.
- (3) **Income from Form 1042-S.** Taxpayers who file a Schedule C with business expenses that offset income that has been reported on a Form 1042-S are permitted to do so when Box 1 on the Form 1042-S contains one of the

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following income codes: 17, 18, 23 (54 in TY 2015 and 2016), 42, or 43. If one of these codes is not present, check for the presence of a Form 1099 and/or for an indication that the Schedule C expenses are being claimed against other income. If none of the above conditions are present, disallow the Schedule C expenses and assign TPNC 371.

3.22.3.156
(01-01-2015)
**Error Code 203 -
Schedule D/RPC "T"**

- (1) EC 203 generates when data on the return is inconsistent with Schedule D.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 203*, for invalid conditions and correction procedures.

3.22.3.157
(01-01-2023)
**Fields Displayed - EC
203 Schedule D and
RPC T**

- (1) The following fields are displayed for EC 203.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
03CGL	Capital Gains
>>>>	Capital Gains Computer
S12NP	Section 12 Not Present
1207	Net Short-Term Gain or Loss Amount
1215	Net Long-Term Gain or Loss Amount

3.22.3.158
(01-01-2015)
**Error Code 204/504 -
Schedule D**

- (1) EC 204 generates when Total Income is not equal to Total Income Computer and a math error is present on Schedule D.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 204*, for invalid conditions and refer to IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.158.1
(01-01-2023)
**Fields Displayed - EC
204/504**

- (1) The following fields are displayed for EC 204.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01FPC	Form Processing Code
03CGL	Schedule D Profit/Loss
>>>>	Schedule D Profit/Loss Computer
0404	Other Gains and Losses

1040-NR	Field Title
12QOF	Dispose of Investment in QOF Checkbox
121AD	Short-Term Basis No Adjustments Sales Amount (1Ad)
121AE	Short-Term Basis No Adjustments Cost Amount (1Ae)
121BD	Short-Term Basis Transactions Sales Amount
121BE	Short-Term Basis Transactions Cost Amount
121BG	Short-Term Basis Adjustments Amount (1Bg)
122D	Short-Term No 1099B Transactions Sales Amount
122E	Short-Term No Basis Transaction Cost Amount (2e)
122G	Short-Term No Basis Adjustments Amount (2g)
123D	Short-Term Sales Price Amount Box C
123E	Short-Term No 1099B Transaction Cost Amount (3e)
123G	Short-Term No 1099B Adjustments Amount (3g)
1205	Short-Term Schedule K-1 Gain Loss Amount (5)
1207	Net Short-Term Gain or Loss Amount
128AD	Long-Term Basis No Adjustments Sales Amount (8Ad)
128AE	Long-Term Basis No Adjustments Cost Amount (8Ae)
128BD	Long-Term Basis Transactions Sales Amount
128BE	Long-Term Basis Transactions Cost Amount
128BG	Long-Term Basis Adjustments Amount (8Bg)
129D	Long-Term No Basis Transactions Sales Amount
129E	Long-Term No Basis Transaction Cost Amount (9e)
129G	Long-Term No Basis Adjustments Amount (9g)
1210D	Long-Term No 1099B Transaction Sales Amount (10d)
1210E	Long-Term No 1099B Transaction Cost Amount (10e)
1210G	Long-Term No 1099B Adjustments Amount (10g)
1212	Long-Term Schedule K-1 Gain Loss Amount (12)
1213	Capital Gain Distribution Amount
1215	Net Long-Term Gain or Loss Amount
12DV	Schedule D Profit/Loss Verified
1218	28 percent Rate Gain or Loss Amount
1219	Unrecaptured Section 1250 Gain Amount
514E	Form 4952 Disposition of Investment Property Gain Amount

1040-NR	Field Title
514G	Form 4952 Investment Income Election Amount
S51NP	Section 51 Not Present
S12NP	Section 12 Not Present
12ZSA	F8949 Z Code QOF Short Term Investment Adjustment Amount
12YSA	F8949 Y Code Recaptured Deferral QOF Short Term Investment Amount
12ZLA	F8949 Z Code QOF Long Term Investment Adjustment Amount
12YLA	F8949 Y Code Recaptured Deferral QOF Long Term Investment Amount
6707	Selling Price Less Mortgage and Debts
6721	Payments Received During Year
6723	Payments Received in Prior Years

Note: The fields displayed for EC 504 will include a Clear Code field and 02NC> and all other fields will be the same as EC 204.

3.22.3.158.2
(11-27-2020)

**Correction Procedures -
EC 204 Form 1040-NR**

- (1) Follow instructions below in If Then chart.

If	Then
Code & Edit dummies a Schedule D because Form 8288-A income was reported on Schedule NEC of Form 1040-NR,	Assign TPNC 404.

3.22.3.158.3
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 204**

- (1) The following Taxpayer Notice Codes are used for EC 204.

TPNC	Literal
	Any previously assigned TPNC
100	
122	Computed or transferred capital gains or losses incorrectly; limited to \$3,000 (\$1,500 MFS)
218	We computed your tax for you.
404	Based on the information you reported, it appears that you didn't include capital gains from Form 8288-A.

TPNC	Literal
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for complete literal for Domestic TPNCs, refer to Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.159
(11-27-2020)
**Error Code 206/506 -
Schedule E**

- (1) EC 206 generates when Total Income is not equal to Total Income Computer and a math error is present on Schedule E.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 206*, for invalid conditions, correction procedures and allowable TPNCs.

Note: Form 6198 is a valid form with Form 1040-NR, search Form 1040-NR for an attached Form 6198 with paper and MeF and if not transcribed, GTSEC 31 to enter amounts in the available fields.

3.22.3.159.1
(11-27-2020)
**Fields Displayed - EC
206**

- (1) The following fields are displayed for EC 206.

1040-NR	Field Title
01ACD	Audit Code Field
0405	Schedule E Profit/Loss
>>>>	Schedule E Profit/Loss Computer
S13NP	Section 13 Not Present
1323D	Total Depreciation for all Properties (line 18)
1323E	Total Expenses for all Properties (line 20)
1324	Rents and Royalties Income
1325	Rents and Royalties Loss
1326>	Rents and Royalties Profit/Loss Computer
1327	Passive Income Indicator
1330	Partnership and S Corporation Income
1331	Partnership and S Corporation Loss
1332>	Partnership and S Corporation Profit/Loss Computer
1335	Estate and Trust Income
1336	Estate and Trust /Loss
1337>	Estate and Trust Profit/Loss Computer
1339	Real Estate Mortgage (REMIC)
1340	Farm Rent Income/Loss

1040-NR	Field Title
1342	Farm Income
1343	Reconciliation for Real Estate Professionals

Note: The fields displayed for EC 506 will include a Clear Code field and 02NC> and all other fields will be the same as EC 206.

3.22.3.160
(11-27-2020)
**Error Code 208/508 -
Schedule F**

- (1) EC 208 generates when Total Income is not equal to Total Income Computer and a math error is present on Schedule F.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 208* for invalid conditions, correction procedures and allowable TPNs.
- (3) Form 6198 is a valid form with Form 1040-NR, search Form 1040-NR for an attached Form 6198 with paper and MeF and if not transcribed, GTSEC 31 to enter amounts in the available fields.
- (4) When all Schedule F income is being excluded under IRC 933 on Form 1040 Code & Edit is instructed to "X" out the schedule and prepare a dummy

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Edit did **NOT** prepare the dummy schedule as required, use Fields 1433 and 1533 as appropriate to make Schedule F equal zero. **DO NOT** delete Sections 14 and 15.

3.22.3.160.1
(01-01-2026)
**Fields Displayed - EC
208**

- (1) The following fields are displayed for EC 208.

1040-NR	Field Title
01CCC	Computer Condition Code
01ACD	Audit Code Field
03WG	W-2 Wages
0405	Schedule E Profit/Loss
0406	Schedule F Profit/Loss
>>>>	Schedule F Profit/Loss Computer
0407	Taxable Unemployment Compensation
04OTI	Other Income
S13NP	Section 13 Not Present
1330	Partnership/S Corporation Income
1331	Partnership/S Corporation Loss
1340	Farm Rental Income/Loss
1342	Farm and Fishing Income
S14NP	Section 14 Not Present
1409	Gross Profits Cash

1040-NR	Field Title
1433	Total Farm Expense
14AR	At-Risk Code IMF
1450	Gross Profit Accrual
1434>	Schedule F Profit/Loss Computer
14PAL	Passive Activity Loss Section 14 Indicator
S15NP	Section 15 Not Present
1509	Gross Profits Cash
1533	Total Farm Expenses
15AR	At-Risk Code IMF
1550	Total Gross Income
1534>	Schedule F Profit/Loss Computer
15PAL	Passive Activity Loss Section 15 Indicator
S17NP	Section 17 Not Present
1701A	Net Farm Profit/Loss
1701B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
17TE	Tentative Earnings (Primary)
2104	Primary Earned Income
S21NP	Section 21 Not Present

Note: The fields displayed for EC 508 will include a Clear Code field and 02NC> and all other fields will be the same as EC 208.

3.22.3.161
(01-01-2015)

**Error Code 209 -
Combined SE Tax**

- (1) EC 209 generates when Combined SE Tax is not equal to Combined SE Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 209*, and IRM 3.22.3 for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.161.1
(01-01-2026)

**Fields Displayed - EC
209**

- (1) The following fields are displayed for EC 209.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01CCC	01CCC	Computer Condition Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
01RPC	01RPC	Return Processing Code
05204	0503	Combined SE Tax
>>>>	>>>>	Combined SE Tax Computer
S17NP	S17NP	Section 17 Not Present
17SSN	17SSN	SE SSN-Primary
1701A	1701A	Net Farm Profit/Loss
1701B	1701B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
1702	1702	Net Non-Farm Profit/Loss
17TE	17TE	Tentative Earnings
1704B	1704B	Optional Method Income Amount
17CHW	17CHW	Tentative Church Wages
17TNE>	17TNE>	Total Net Earnings Computer
17TSW	17TSW	Total Social Security Wages Covered
17SIV	17SIV	Self Employed Social Security Income Computer Section 17 Amount Verified
1710>	1710>	SE SS Tax Computer
1711>	1711>	SE Medicare Tax Computer
17SET>	17SET>	SE Tax Computer
17SEV	17SEV	SE Tax Verified
17MCD	17MCD	SE Method Code
88CD1		Unallowable Code 1
88AM1		Unallowable Amount 1
88TXA		Unallowable Tax Adjustment
	S18NP	Section 18 Not Present
	18SSN	SE SSN-Primary
	1801A	Net Farm Profit/Loss
	1801B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
	1802	Net Non-Farm Profit/Loss
	18TE	Tentative Earnings
	1804B	Optional Method Income Amount

1040-NR	1040-SS (sp)/1040-SS	Field Title
	18CHW	Tentative Church Wages
	18TNE>	Total Net Earnings Computer
	18TSW	Total Social Security Wages Covered
	18SIV	Self Employed Social Security Income Computer Section 18 Amount Verified
	1810>	SE SS Tax Computer
	1811>	SE Medicare Tax Computer
	18SET>	SE Tax Computer
	18SEV	SE Tax Verified
	18MCD	SE Method Code

3.22.3.161.2
(01-01-2024)

**Invalid Conditions - EC
209**

- (1) EC 209 generates when the difference between Combined SE Tax (Field 05204 Form 1040 and Form 1040-NR; Field 0503 Form 1040-SS (sp)/ Form

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3.22.3.161.3
(01-01-2023)

**Correction Procedures -
EC 209 Form 1040 and
Form 1040-NR**

- (1) If a taxpayer is a resident of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Puerto Rico, or U.S. Virgin Islands and files Form 1040 reporting self-employment taxes on Schedule 2, line 4, and the only income is from a Schedule C, Z, E (Part II present), or F, SSPND 610 to renumber as Form 1040-SS.

Caution: If the taxpayer is claiming wages and/or withholding, **do not convert.**

- (2) Totalization Agreements or Bilateral Social Security Agreements were enacted in order to eliminate dual coverage and dual contributions to the social security system for the same work. This ensures that Social Security taxes (including SE tax) are paid only to one country. If the taxpayer resides in one of the countries listed below, enter RPC "S":

- Australia
- Austria
- Belgium
- Brazil
- Canada
- Chile
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- Ireland

- Italy
- Japan
- Korea (South)
- Luxembourg
- The Netherlands
- Norway
- Poland
- Portugal
- Slovak Republic
- Slovenia
- Spain
- Sweden
- Switzerland
- United Kingdom (England, Northern Ireland, Scotland, and Wales)
- Uruguay

Note: If the taxpayer attached a Schedule SE but did not include the amount in total tax, also DLSEC Section 17.

- (3) If the taxpayer resides in one of the countries listed above (1) and is paying

Error Resolution, Individual Income Tax Returns, EC 209 for SE Tax.

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3.22.3.161.4

(02-08-2024)

**Correction Procedures -
EC 209 Form 1040-SS
(sp)/Form 1040-SS**

- (1) **Form 1040-SS (sp)/Form 1040-SS**

If	Then
SE earnings are less than \$434,	<ul style="list-style-type: none"> • Form 1040-SS <ol style="list-style-type: none"> 1. DLSEC Section 17/18 2. Assign TPNC 472 • Form 1040-SS (sp) <ol style="list-style-type: none"> 1. DLSEC Section 17/18 2. Assign TPNC 487
The taxpayer computed SE tax incorrectly,	<ul style="list-style-type: none"> • Form 1040-SS - Assign TPNC 473. • Form 1040-SS (sp) - Assign TPNC 488.
The taxpayer does not qualify to use the optional method,	<ul style="list-style-type: none"> • Form 1040-SS - Assign TPNC 272 • Form 1040-SS (sp) - Assign TPNC 485.

- (2) **For TY 2010**, taxpayers are instructed to reduce their self-employment earnings reported on line 3 of Schedule SE by the deduction for self-employed health insurance. For Form 1040(PR)/Form 1040-SS filers they are instructed to enter "SEHI" and the amount on the dotted line next to Form 1040-SS, Part V, line 1b.

If	Then
The taxpayer indicates "SEHI"	Enter the amount reported in Field 1701B.

- (3) Whenever the FSC is 2 and it appears that the taxpayer is attempting to pay SE tax for both self and spouse but only one Schedule SE is present SSPND 215 and select paragraph L on Form 13975 for tax years 2022 and prior, for tax years 2023 and forward select paragraph K.
- (4) **Form 1040-SS (sp)/Form 1040-SS with Form 4137, Social Security and Medicare Tax on Unreported Tip Income or Form 8919, Uncollected tax on Social Security and Medicare tax on Wages**

If	Then
The taxpayer has Form 4137 or Form 8919 attached,	enter the amount in Field 17SEV.

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3.22.3.161.5
(01-01-2023)

**Allowable Taxpayer
Notice Codes - EC 209**

- (1) The following Taxpayer Notice Codes are used for EC 209.

TPNC	Literal
	Any previously assigned TPNC
100	
121	Computed or transferred Schedule C incorrectly.
127	Computed or transferred Schedule F incorrectly.
128	You didn't limit the amount of loss on Schedule C, E, or F by the amount at-risk on Form 6198.
135	USDA Settlement income not included in Schedule F computation. Moved from your tax return to page 1 of your Schedule F.
158	We changed the deductible part of self-employment tax on your tax return. The entry for the deductible part of self-employment tax was missing, figured incorrectly or Schedule SE was incomplete or not attached.
218	We computed your tax for you.
268	Computed or transferred SE Tax from Schedule SE to Form 1040 incorrectly.
269	Adjusted Schedule SE to reflect your true net earnings before multiplying .9235.
270	Transferred Schedule F amount to Schedule SE incorrectly.
271	Transferred Schedule C amount to Schedule SE incorrectly.

TPNC	Literal
272	You don't qualify to use the optional method.
273	We reduced or removed the total self-employment tax on page 2 of your tax return. Your net earnings were less than \$400; therefore, they are not subject to self-employment tax.
550	No reply, Form 6198, "Some is not at-risk".
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
580	We computed self-employment tax on your tax return for the self-employment income you reported. Since you included self-employment income in computing your Earned Income Credit (EIC), you must pay self-employment tax to receive EIC.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
472	You don't owe self-employment tax when your net earnings from self-employment are less than \$434, as shown on Form 1040-SS. We changed your self-employment tax accordingly.(Form 1040-SS)
473	You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS. We changed your self-employment tax accordingly.
474	You figured your refund or the amount you owe incorrectly on Form 1040-SS.

TPNC	Literal (Form 1040-SS (sp))
374	<p>We changed the refund or amount you owe based on the information you provided in response to our previous correspondence.</p> <ul style="list-style-type: none"> • Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.
485	<p>You don't qualify to use the optional method on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> • Usted no califica para usar el metodo opcional en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribucion sobre el trabajo por cuenta propia.

TPNC	Literal (Form 1040-SS (sp))
486	<p>You didn't multiply your self-employment earnings by .9235, as shown on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted no multiplicó sus ganancias del trabajo por cuenta propia por .9235, como esta mostrado en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia.
487	<p>You don't owe self-employment tax when your net earnings from self-employment are less than \$434 Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted no debe contribucion sobre el trabejo por cuenta propia, cuando su ganancias netas del trabajo por cuenta propia con menores de \$434, como esta mostrado en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribucion sobre el trabajo por cuenta propia.)
488	<p>You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted calculó o transfirió incorrectamente la contribución sobre el trabajo por cuenta propia. Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia.
489	<p>You figured your refund or the amount you owe incorrectly on Form 1040-SS (sp).</p> <ul style="list-style-type: none"> Usted calculó incorrectamente su reintegro o la cantidad que usted adeuda en la Forma 1040-SS (sp).

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for complete literal for Domestic TPNCs, refer to Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.162
(01-01-2015)
Error Code 210 - SE Tax Verified Present-SE Income Computer Zero

- (1) EC 210 generates when Combined SE Tax Computer is significant, SE SS Income Computer and SE Medicare Income Computer for both Schedules SE is not significant.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 210*, for invalid conditions and correction procedures.

3.22.3.162.1
(01-01-2024)
Fields Displayed - EC 210

- (1) The following fields are displayed for EC 210.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code

1040-NR	1040-SS (sp)/1040-SS	Field Title
01TXP		Tax Period
05204	0503	Combined SE Tax
>>>>	>>>>	Combined SE Tax Computer
17SSN	17SSN	SE SSN
1701A	1701A	Net Farm Profit/Loss
1701B	1701B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
1702	1702	Net Non-Farm Profit/Loss
17TE	17TE	Tentative Earnings
1704B	1704B	Optional Method Income Amount
17CHW	17CHW	Tentative Church Wages
17TNE>	17TNE>	Total Net Earnings Computer
17TSW	17TSW	Total Social Security Wages Covered
17SIV	17SIV	Self Employed Social Security Income Computer Section 17 Amount Verified
1710>	1710>	SE Social Security Tax Computer
1711>	1711>	SE Medicare Tax Computer
17SET>	17SET>	SE Tax Computer
17SEV	17SEV	SE Tax Verified
	18SSN	SE SSN
	1801A	Net Farm Profit/Loss
	1801B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
	1802	Net Non-Farm Profit/Loss
	18TE	Tentative Earnings
	1804B	Optional Method Income Amount
	18CHW	Tentative Church Wages
	18TNE>	Total Net Earnings Computer
	18TSW	Total Social Security Wages Covered
	18SIV	Self Employed Social Security Income Computer Section 18 Amount Verified
	1810>	SE Social Security Tax Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
	1811>	SE Medicare Tax Computer
	18SET>	SE Tax Computer
	18SEV	SE Tax-Verified

3.22.3.163
(01-01-2015)
**Error Code 211/511 -
Deduction for
Self-Employment Tax**

- (1) EC 211 generates when Total Adjustments is not equal to Total Adjustments Computer and there is a difference between Deduction for SE Tax and Deduction SE Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 211*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.

3.22.3.163.1
(01-01-2023)
**Fields Displayed - EC
211**

- (1) The following fields are displayed for EC 211.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01CCC	Computer Condition Code
01RPC	Return Processing Code
04DSE	Deduction for Self-Employment
>>>>	Deduction for Self-Employment Computer
94SEV	Deduction for SE Tax Verified (ERS only)
04SEP	SE Retirement Plans Deduction
04HID	Self-Employment Health Insurance Deduction
05204	Combined SE Tax
>>>>	Combined SE Tax Computer
17SSN	SE SSN
1701A	Net Farm Profit/Loss
1701B	Social Security Retirement or Disability Benefits and Conservation Reserve Program Payment Exclusions
1702	Net Non-Farm Profit/Loss
17TE	Tentative Earnings
1704B	Optional Method Income
17CHW	Tentative Church Wages
17TNE>	Total Net Earnings Computer

1040-NR	Field Title
17TSW	Total Social Security Wages Covered
17SIV	Self Employed Social Security Income Computer Section 17 Amount Verified
1710>	SE Social Security Tax Computer
1711>	SE Medicare Tax Computer
17SET>	SE Tax Computer
17SEV	SE Tax-Verified
17MCD	SE Method Code
S17NP	Section 17 Not Present

Note: The fields displayed for EC 511 will include a Clear Code field and 02NC> and all other fields will be the same as EC 211.

3.22.3.163.2
(01-01-2025)
**Correction Procedures
EC 211**

- (1) If the taxpayer did not take the SE Tax Deduction or figured it incorrectly, assign TPNC 158.
- (2) If a taxpayer is from the USVI, AS, GU, CNMI, or PR and files **Form 1040** with a Schedule C, E (Part II present), F, or SE **to report self-employment taxes in lieu of Form 1040-SS (sp) or 1040-SS**, SSPND 610 to renumber as Form 1040-SS.

Caution: If the taxpayer is claiming wages and/or withholding, **do not convert**.

- (3) If a bona fide resident of a U.S. territory excludes all self-employment income from gross income under IRC 931 or IRC 933, then the deduction on Form 1040 Schedule 1, line 15, is not allowed. Follow these procedures to resolve EC 211:
 - a. Enter RPC 6 to bypass the computer generation of the SE tax deduction. If other taxable income isn't reported on Form 1040, then this will resolve EC 211.
 - b. If taxable income other than self-employment income is reported on the return, assign TPNC 350.

3.22.3.163.3
(01-01-2015)
**Allowable Taxpayer
Notice Codes - EC 211**

- (1) The following Taxpayer Notice Codes are used for EC 211.

TPNC	Literal
	Any previously assigned TPNC
100	
158	We changed the deductible part of self-employment tax on your tax return.
159	Disallowed SE tax deduction. Should have used Form 4137.

TPNC	Literal
160	Disallowed SE deduction because no SE tax reported.
273	We reduced or removed the total self-employment tax on page 2 of your tax return. Your net earnings were less than \$400; therefore, they are not subject to self-employment tax.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
350	We didn't allow the amount claimed as a deductible part of self-employment tax on your Form 1040. Information on your return indicates that this amount relates to the self-employment income you excluded under Section 931 or Section 933 of the Internal Revenue Code.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for complete literal for Domestic TPNCs.

3.22.3.164
(01-01-2020)

**Error Code 214/514 -
Taxable Social Security**

- (1) EC 214 generates when Total Income is not equal to Total Income Computer and a math error is present on Taxable Social Security on a Form 1040 return.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 214* and IRM 3.22.3 for screen displays, invalid conditions, and correction procedures and allowable TPNCs.

3.22.3.164.1
(01-01-2023)

**Correction Procedures -
EC 214**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If the taxpayer excludes income using Form 2555, **IRC 933 (Puerto Rico)** or

#

Note: If the taxpayer did NOT enter an amount for gross social security, DO NOT

#

- (3) When a valid Form 2555 is **NOT** attached to exclude income **AND** the taxpayer is a U.S. citizen living in one of the countries listed below, the taxpayer is exempt from United States tax on their Social Security Benefits. Enter a "1" in Field 94TSV, Form 1040. If EC 214 generates again assign TPNC 131.

- Canada
- Egypt
- Germany
- Ireland
- Israel
- Italy (Must also be a citizen of Italy for exemption to apply)

- Romania
- United Kingdom (England, Northern Ireland, Scotland and Wales)

3.22.3.164.2
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 214**

- (1) The following Taxpayer Notice Codes are used for EC 214.

TPNC	Literal
	Any previously assigned TPNC
100	
131	Figured taxable social security benefits incorrectly.
132	You must deduct any repayment over the amount of Social Security benefits received in the tax year on Schedule A.
147	You or your spouse claimed more than the amount allowed for your IRA Deduction.
149	You can't claim an IRA contribution unless your participation in the KEOGH, SIMPLE, or Simplified Employee Pension Plan (SEP) was considered inactive.
218	We computed your tax for you.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for complete literal for Domestic TPNCs.

3.22.3.165
(01-01-2018)

**Error Code 215 -
Validation on MeF Form
1040-NR**

- (1) EC 215 generates on Form 1040-NR when Special Processing Code (SPC) "U" is present. SPC U is assigned by Modernized E File (MeF) to Forms 1040-NR that require ERS review during processing.

3.22.3.165.1
(01-01-2025)

**Fields Displayed - EC
215**

- (1) The following fields are displayed for EC 215.

1040-NR	Field Displayed
CL	Clear Field
01FSC	Filing Status Code
01TXP	Tax Period
01SPC	Special Processing Code
03WG	W-2 Wages
04SFG	Scholarship and Fellowship Grants
03TEX	Income Exempt by Treaty

1040-NR	Field Displayed
03TOT	Total Income
>>>>	Total Income Computer
S46NP	Section 46 Not Present
03TNC	Tax on Income Not Effectively Connected
>>>>	Tax on Income Not Effectively Connected Computer
46TR1	First Specified Taxpayer Percent
46TR2	Second Specified Taxpayer Percent
4613A	Ten Percent Taxable Income Amount
4613B	Fifteen Percent Taxable Income Amount
4613C	Thirty Percent Taxable Income Amount
46131	First Percent Specified Taxable Income Amount
46132	Second Percent Specified Taxable Income Amount
0325G	Withholding - Form 1042-S

3.22.3.165.2
(01-01-2025)

**Correction Procedures -
EC 215 Form 1040-NR**

- (1) SPC U is generated by Modernized E-File (MeF) on Form 1040-NR to identify returns requiring review by ERS tax examiners. On paper-filed Form 1040-NR, Code & Edit reviews certain conditions and edits taxpayer amounts on the return to generate error codes for ERS correction. MeF programming doesn't edit taxpayer amounts on returns. Instead, MeF generates EC 215 by assigning SPC U when any of these conditions are present:
- Wages on line 1a (TY19, line 8) of Form 1040-NR equal the wages on Form W-2 less the treaty exempt income on line 1k for TY22 and later (TY20 - TY21, 1c; TY19, line 22).
 - For TY21 and prior A Grant Scholarship Statement is present to support Scholarship and fellowship grants excluded on line 10c (TY19, line 31), Form 1040-NR. [MeF Code & Edit Values Description "Grant Statement from College or Educational Institution"]
 - The recipient TIN in Box 13e of Form 1042-S is blank and the recipient name in Box 13a doesn't match the taxpayer on page 1 of Form 1040-NR. [MeF Code & Edit Values Description "Blank Recipient TIN"]
 - Form 8833, *Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)*, is attached to the return. [MeF Code & Edit Values Description "8833"]

- (2) **Use the MeF Code & Edit Values Descriptions on the MeF return and the fields displayed on the EC 215 ERS screen as a guide to identifying the error condition that requires ERS review.** Follow the instructions in paragraphs (3) through (6) below before clearing EC 215. More than one condition may be present on a return.
- (3) **Field 03TEX** - If Field 03TEX has an amount present use the instructions in EC 218, *Line 1k, TY22 and later (TY20 -TY21, Line 1c; TY19, Line 22)* - *Income Exempt by a Tax Treaty* at IRM 3.22.3.168.2.2.1 (3) to validate treaty exemption claims described on Form 8833 or on other attachments.
- (4) **Field 0325G** - MeF may identify consistency errors with Form 1042-S and the taxpayer's TIN or name (see condition (1)(c) above).
- If there is no name in Box 13a for the recipient **and** no TIN in Box 13e on Form 1042-S then delete the withholding on line 25g (TY19, line 62d) and assign TPNC 441 when EC 366 generates.
 - If the TIN is missing in Box 13e on Form 1042-S and the recipient named in Box 13a is not the taxpayer on the return, then adjust the return to include only the taxpayer's income and withholding. Assign TPNC 334 If the recipient name is the taxpayer on the return then enter "C" in the Clear Code field.
- (5) After following the steps in paragraphs (3) through (5) enter "C" in the Clear Code field and assign TPNCs when errors generate for any adjustments made. Don't delete SPC U.

3.22.3.166
(01-01-2023)
Error Code 216 - Form 2555 Social Security Benefits Present on Form 1040

- (1) EC 216 generates when FLC is 20, the Document Code is 05, 06, 11, 12, 21 or 22, Form 2555 is present, taxable social security is present and social security verified is not present.

3.22.3.166.1
(01-01-2020)
Fields Displayed - EC 216

- (1) The following fields are displayed for EC 216 on Form 1040.

1040	Field Title
03GSS	Gross Social Security
03TSS	Taxable Social Security Benefits
>>>>	Taxable Social Security Benefits Computer
94TSV	Taxable Social Security Benefits Verified
34DP	Section 34 Present
35DP	Section 35 Present

3.22.3.166.2
(01-01-2020)
Invalid Conditions - EC 216

- (1) EC 216 generates when the FLC is 20 and **all** of following conditions are present:
- Document Code is 05, 06, 11, 12, 21 or 22
 - Section 34/35 is present
 - Field 03TSS is present
 - Field 94TSV is not present

3.22.3.166.3
(06-02-2023)
Correction Procedures - EC 216

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) See table below:

If the taxpayer computed taxable amount to be	Then
More than or equal to the underprint	enter the amount in Field 94TSV, Form 1040.
Less than the underprint	Assign TPNC 131.

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- (3) If the taxpayer excludes earned income using Form 2555 and reports taxable
- enter the amount in Field 94TSV.

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Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.167
(01-01-2015)
Error Code 217 - Total Income \$1,000,000,000

- (1) EC 217 generates when either Total Income Computer or Total Adjusted Gross Income Computer equals or exceeds \$1,000,000,000.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 217*, for invalid conditions and correction procedures.

3.22.3.167.1
(01-01-2023)
Fields Displayed - EC 217

- (1) The following fields are displayed for EC 217.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
03TWG	Total Wages Amount
04SFG	Scholarship or Fellowship
03TEX	Treaty Exempt Income Amount
03INT	Taxable Interest

1040-NR	Field Title
03TEI	Tax Exempt Interest
03DIV	Taxable Dividend Amount
03QD	Qualified Taxable Dividends Amount
03GIR	Gross IRA Distributions
03TIR	Taxable IRA Distributions
03GPA	Gross Pensions and Annuities
03TPA	Taxable Pensions and Annuities
0401	State Income Tax Refund
0404	Supplemental Gains or Losses
0407	Taxable Unemployment Compensation
04OTI	Other Income Amount
03ADD	Additional Income Amount
>>>>>	Additional Income Amount Computer
03TOT	Total Income
>>>>	Total Income Computer

3.22.3.168
(01-01-2015)

**Error Code 218/518 -
Total Income Difference**

- (1) EC 218 generates when the total income is not equal to total income computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 218*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.

3.22.3.168.1
(01-01-2025)

**Fields Displayed - EC
218**

- (1) The following fields are displayed for EC 218.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01SPC	Special Processing Code
01CCC	Computer Condition Code
01FPC	Form Processing Code
01RPC	Return Processing Code
01ACD	Audit Code Field
03WG	W-2 Wages
03TWG	Total Wages Amount

1040-NR	Field Title
0401	State Income Tax Refund
04SFG	Scholarship or Fellowship Grants
03TEX	Income Exempt or Treaty
03INT	Taxable Interest
03TEI	Tax-Exempt Interest
03DIV	Ordinary Dividend Amount
03QD	Qualified Dividend Amount
03GIR	Gross IRA Distributions
03TIR	Taxable IRA Distributions
03GPA	Gross Pensions and Annuities
03TPA	Taxable Pensions and Annuities
0401	State Income Tax Refund
0404	Other Gains/Losses
0407	Taxable Unemployment Compensation
04OTI	Other Income
03ADD	Additional Income Amount
>>>>	Additional Income Amount Computer
03TOT	Total Income
>>>>	Total Income Computer

Note: The fields displayed for EC 518 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 218.

3.22.3.168.2
(01-01-2015)

**Correction Procedures -
EC 218**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.168.2.1
(01-01-2025)

**Employees of Foreign
Governments or
International
Organizations**

- (1) If the taxpayer indicates **IRC 893 or employee of foreign government or international organization**, and is exempting wages or salary compensation, verify that the taxpayer has provided all of the following information:

- a. Evidence of non-United States citizen status (e.g., a copy of their A or G visa or green card), or evidence of citizenship in the Republic of the Philippines (whether or not a U.S. citizen);

- b. Written evidence from the United States Citizenship and Immigration Services (USCIS) which confirms that the taxpayer has not signed USCIS Form I-508 (Waiver of Rights, Privileges, Exemptions and Immunities);

Note: An employee's compensation is not eligible for exemption under IRC 893 if they have signed the USCIS Form I-508.

- c. A copy of the U.S. State Department IRC 893(b) certification, if an employee of a **foreign government**

Note: If a taxpayer provides evidence in lieu of IRC 893(b) certification, accept the evidence if it establishes that the services rendered by the employee are similar to the services rendered by employees of the U.S. government in foreign countries, and that the foreign government grants an equivalent tax exemption to such U.S. government employees. For example, the taxpayer may provide a copy of a foreign statute or regulation that shows an equivalent tax exemption to U.S. government employees in that country.

- d. The number of the Presidential Executive Order if an employee of an **international organization**;

Note: The Executive Order number for an employee of an international organization is not required if the taxpayer's employer organization is listed in Exhibit 3.22.3-8.

Note: NATO is not an international organization, but rather a military alliance treaty-based organization. IRC 893 is not applicable to employees of NATO or its subsidiary bodies (e.g., Headquarters of the Supreme Allied Commander Atlantic).

- e. For Form 1040, wages and salary compensation must be reported on line 1 and exempt compensation reported on Line 9, Schedule 1, as a negative amount.

If the required information in the paragraphs above is missing, **SSPND 215** and correspond for missing information selecting paragraph K on Form 13900.

3.22.3.168.2.2
(01-01-2025)
**Correction Procedures
for EC 218 Form
1040-NR**

- (1) If the taxpayer has filed Form 1040-NR and is claiming a **foreign earned income exclusion with Form 2555**, disallow the exclusion, make sure the income is reported, and assign TPNC 386.
- (2) Form 1042-S Exemption Code 2 with tax rate 00.00 indicates income exempt under the Internal Revenue Code, and Exemption Code 4 with tax rate 00.00 indicates income exempt under tax treaty. If income from Form 1042-S with Chapter 3 **Exemption Code 2 or 4 (Box 3a)** is reported, take one of the following actions:

Note: Income Code 16 with an Exemption Code of 00 will be present on Form 1042-S if the taxpayer did not provide the payer with a Form W8-BEN. In these cases, the payer will withhold federal income (rates vary) and the income is fully taxable unless the taxpayer provides valid treaty information on the return or attachments

If	And	Then
Exemption Code is 4 in box 3a of Form 1042-S,	a. Income Code is 16, and b. Form 1042-S was issued by a college or university,	a. Delete the income where reported, and b. Enter the exempt income in Field 03TEX (Form 1040-NR), and c. Assign TPNC 141.
Exemption Code is 4 in box 3a of Form 1042-S,	Income Code is NOT 16 on Form 1042-S,	A valid tax treaty article must be provided. Follow instructions for tax treaty exemption claims at IRM 3.22.3.168.2.2.1 (3) (Form 1040-NR).
Exemption Code is 2 in box 3a of Form 1042-S,	The taxpayer includes the income as taxable income and has not excluded it on the return,	a. Delete the income, and b. Assign TPNC 141. Note: A tax treaty article is not required with Exemption Code 02.

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- Exception:** Professional gambling is effectively connected and can be reported on TY20 or later, Schedule 1 or TY19, page 1 of Form 1040-NR with a supporting Schedule C.

- a. Wages, salaries and tips effectively connected with a U.S. trade or business are reported by nonresident aliens on line 1a (TY19, line 8), Form 1040-NR. Taxpayers determine how much of their income is for work performed in the U.S. (“U.S. source”) and how much is for work performed outside of the U.S. (“non-U.S. source”). **Nonresident aliens are required to report U.S. source wages on Form 1040-NR** and in limited circumstances certain foreign source income that is effectively connected to a U.S. trade or business. See IRM 3.22.3.11.2 for general information on nonresident alien income reporting requirements.
- b. U.S. source wages may be exempted based on a tax treaty. Wage income that is exempted with a tax treaty is not reported on line 1a (TY19, line 8) but is reported on line 1k (TY20 - TY21, 1c; TY19, line 22) and is not used in the calculation of total income on TY20, line 9 (TY19, line 23). See “line 1k (TY20 - TY21, line 1c; TY19, Line 22) - Income

Exempt by a Tax Treaty” IRM 3.22.3.168.2.2.1 (3) for instructions for tax treaty claims.

Note: If the taxpayer cites tax treaty Article IV (“Tiebreaker”) use the chart below to determine if the income is non-U.S. source income. A taxpayer may be referencing the article as it pertains to residency.

- c. If the taxpayer has wage income and claims a deduction as a negative amount on line 9, Schedule 1 (TY20, line 8, Schedule 1; TY19, line 21, Form 1040-NR) for contributions made to a Canadian Retirement or Pension Plan (e.g., “RPP”, “RRSPS”, Canada Article XVIII(8) through (13) on Form 8833), allow the deduction.
- d. If a nonresident alien receives a Form W-2 or similar statement reporting salary and wages for services performed partly within and partly outside of the United States then only the portion earned for services performed within the U.S. is included on line 1a (TY19, line 8). If Code & Edit has edited the amount on line 1a (TY19, line 8) then do the following:

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If	And	Then
b) The taxable income on line 1a (TY19, line 8) of Form 1040-NR doesn't include all the wages shown on Form W-2 or similar statements,	The taxpayer's address on the tax return is outside of the United States,	Follow the taxpayer intent to report only U.S. source wage income. Accept the taxpayer's entry on line 1a (TY19, line 8).
c) Code & Edit has "X'd" line 1k, TY22 and later (TY20 - TY21, line 1c; TY19, line 22) on Form 1040-NR and has added the amount to line 1a (TY19, line 8),	You can determine by following paragraphs (a) and (b) above that the taxpayer's amount on line 1k, TY22 and later (TY20 - TY21, line 1c; TY19, line 22) is non-U.S. source income, Caution: If U.S. source income is reported on line 1c (TY19, line 22) then follow the instructions for "Line 1c (TY19, Line 22) - Income Exempt by a Tax Treaty" at IRM 3.22.3.168.2.2.1 (3).	1. Accept the taxpayer's entry on line 1a (TY19, line 8) and enter this amount in Field 03WG. 2. Do not enter the taxpayer's amount reported online 1k, TY22 and later (TY20 - TY21, line 1c; TY19, line 22) in Field 03TEX.

If	And	Then
d) The taxable income on line 1a (TY19, line 8) of Form 1040-NR doesn't include all the wages shown on Form W-2 or similar statements,	None of the instructions in (a) through (c) apply,	<ol style="list-style-type: none"> 1. Enter the wages from Form W-2 in Field 03WG. 2. If EC 218 generates, assign TPNC 114.

Note: If the amount reported on line 1a (TY19, line 8) is from a college, university or other educational institution see "Line 1b (TY19, Line 12) – Scholarship or Fellowship Grants" below before making corrections.

(2) **Schedule 1, line 8r (TY 20 and 21, Line 1b;(TY19, Line 12) - Scholarship or Fellowship Grants**

- A scholarship or fellowship grant is reported on Schedule 1, line 8r (TY21 and 20 Form 1040, line 1b; TY19, Form 1040, line 12) of Form 1040-NR and included in the total on Schedule 1, line 9 which is transcribed into Field 04OTI. An entry on Schedule 1, line 8r (TY21 and 22 Form 1040, line 1b; TY19, Form 1040, line 12) can be from a Form W-2 or Form 1042-S with Income Code 16 issued by a college, university or other education institution, or supported by a statement from the educational institution (on school letterhead) that identifies the income as a scholarship or fellowship grant. If the income is exempted with a tax treaty, the exempted amount is not reported on Schedule 1, line 8r (TY21 and 22 Form 1040, line 1b; TY19, Form 1040, line 12) but is reported on line 1k (TY20 and TY21, 1c; TY19, line 22) and the amount is not used in the total taxable income calculation for line 9 (TY19, line 23). Ensure the scholarship or fellowship amount is included in field 04OTI, See IRM 3.22.3.11.4 for general information on scholarship or fellowship grant income
- For TY21 and prior if C&E has moved scholarship or fellowship grant income to Schedule 1, line 8r ensure that the amount has been included in Field 04OTI as long as the taxpayer has included it in their Schedule 1, Line 9 total as well.
- For all tax years If scholarship or fellowship grant income is reported on Form 1040-NR follow the steps in the chart below

If	Then
1) Form 1042-S is attached with Income Code 16 and Chapter 3 Exemption Code 4, and the form was issued by a college or university	Delete the income where reported, and enter the amount in Field 03TEX.

If	Then
2) Scholarship or fellowship grant income is not reported as taxable income and the taxpayer indicates that the income is exempt because of a tax treaty,	Verify the tax treaty claim using Exhibit 3.22.3-1. Note: If the taxpayer doesn't provide the treaty country, treaty article, and amount then SSPND 215 and correspond.
3) The tax treaty claim is valid,	Delete the income where reported and enter that amount in Field 03TEX. Note: For TY21 and prior If the taxpayer entered the treaty exempt amount on line 10c (TY19, line 31), enter in Field 03TEX.
4) The tax treaty claim is not valid,	<ol style="list-style-type: none"> 1. Ensure that the income amount is included in Field 04SFG. 2. Delete the amount from Field 03TEX. 3. If EC 218 generates, assign TPNC 409 Note: If the taxpayer reported the scholarship or fellowship grant income on line 1a (TY19, line 8), delete the income from 03WG and add to Field 04SFG.

(3) **Line 1k (TY20 and TY21, Line 1c; TY19, Line 22) - Income Exempt by a Tax Treaty**

- Refer to Schedule 1, line 8r (TY21 and 22 Form 1040, line 1b; TY19, Form 1040, line 12) in EC 218 if a taxpayer is excluding scholarship or fellowship grant income based on a tax treaty claim.
- If income is exempt from taxation on Form 1040-NR based on a tax treaty the exempted amount is reported on line 1k (TY 20 and TY 21, 1c; TY19, line 22) and the income is not included on lines 1 through 9 of Form 1040-NR or lines 1 through 9 of Schedule 1(TY20 lines 1 through 8 of Schedule 1; TY19, lines 8 through 21 of Form 1040-NR). The taxpayer must provide these (3) items to support the claim: the treaty country, the treaty article number, and the exempt amount.

Note: If the taxpayer provides a treaty article number, but doesn't cite the subparagraphs, accept the treaty article without the subparagraphs if the country and amount are valid for that article number on the treaty tables.

- c. The Residence articles (generally article IV) in tax treaties merely state prerequisites for obtaining treaty benefits and do not, themselves, provide any other treaty benefit. If Article IV is the only treaty article provided in response to Item "L" on Schedule OI of Form 1040-NR then the exemption claim is not valid.

Note: A nonresident alien is required to report only U.S. source income. See "Line 1a (TY19, Line 8) - Wages" above if the taxpayer indicates that the excluded income is non-U.S. source income.

- d. If the taxpayer has a J-1 visa and is claiming a tax treaty exemption using a treaty article for Students, Trainees, Teachers and Researchers then see also IRM 3.22.3.168.2.2.2 for determining eligibility.
- e. If Code & Edit entered a "X" on 1k (TY 20 and TY 21, 1c; TY19, line 22) and/or edited lines 1 through 9 of Form 1040-NR or lines line 1 through 9 of Schedule 1 (TY20, lines line 1 through 8 of Schedule 1; TY19, lines 8 through 21 of Form 1040-NR), or Error Code 215 generated on a MeF return with an amount on line 1c (TY19, line 22), then follow the steps below.

If	And	Then
1) The income is supported by Form 1042-S	The Exemption Code in box 3a is 2 or 4,	Follow the instructions at IRM 3.22.3.168.2.2 (2).
2) The taxpayer claims a tax treaty exemption,	Item L on Schedule OI or other statement attached to Form 1040-NR does not provide the treaty country, the tax treaty article number, and the amount exempt,	SSPND 215 for the missing information selecting paragraph J on Form 13900. Exception: For tax years 2017 and prior, do not correspond for the article number if the treaty amount is the only income claimed on the return and the amount is less than the personal exemption amount (\$4,050 for TY2017) Refer to Prior Year Job Aid 2515-014 exemption amounts for the tax year of the return.
3) The taxpayer claims a tax treaty exemption,	The treaty country is Austria and the treaty article is Article 21,	Allow the exemption.

If	And	Then
4) The taxpayer claims a tax treaty exemption,	Item L or other statement includes required tax treaty information (country, article number, exempt amount),	Verify the tax treaty benefit claimed and the amount allowed with the treaty tables in Exhibit 3.22.3-1 and Exhibit 3.22.3-2. See the instruction in paragraph (f) below if both Form W-2 and Form 1042-S are attached to the return. Note: Article IV "Tiebreaker" is not a valid article for claiming a tax treaty income exemption.
5) Tax treaty country and article are found on the treaty table,	The taxpayer claimed more than the maximum exemption amount, Caution: See instruction in paragraph (f) below if both Form W-2 and Form 1042-S are attached to the return.	a. Enter the allowable amount in Field 03TEX b. Adjust Field 03WG through Field 03ADD and Field 0401 through Field 04OTI as appropriate to include the excess amount. c. Assign TPNC 494.
6) Tax treaty country and article are found on the treaty table,	a. The maximum amount for the treaty article includes footnote 25, 26, 28, or 46; And b. The total compensation of this type for the tax year exceeds the maximum, Caution: See instruction in paragraph (f) below if both Form W-2 and Form 1042-S are attached to the return.	a. Add the exemption amount claimed to the appropriate income Field 03WG through Field 03ADD and Field 0401 through Field 04OTI. b. Delete the amount from Field 03TEX. c. Assign TPNC 409.
7) Tax treaty claim is not valid,	The income is effectively connected and not reported on page 1 or Schedule 1,	a. Enter the amount in the appropriate income Field 03WG through Field 03ADD and Field 0401 through Field 04OTI. b. Delete the amount from Field 03TEX. c. Assign TPNC 409.

If	And	Then
8) Tax treaty claim is not valid,	The income should be taxed as not effectively connected income,	<ol style="list-style-type: none"> Delete the income if present in Field 03WG through Field 03ADD and Field 0401 through Field 04OTI. Use Exhibit 3.22.3-3 to determine the correct tax rate. Enter the correct tax amount in Field 03TNC and appropriate field in Section 46. If EC 334 generates assign TPNC 429.
9) Tax treaty claim is valid,	The exempted amount is included on lines 1 through 9 of Form 1040-NR or lines line 1 through 8 of Schedule 1 (TY19, lines 8 through 21 of Form 1040-NR)	<ol style="list-style-type: none"> Enter the exempt amount in Field 03TEX Adjust Field 03WG through Field 03ADD and Field 0401 through Field 04OTI as appropriate to exclude the amount. If EC 218 generates, assign TPNC 141
10) Tax treaty claim is valid,	The taxpayer erroneously reported effectively connected income on Schedule NEC,	<ol style="list-style-type: none"> Determine the treaty amount based on information on Schedule OI. Enter the amount of taxable wages in Field 03WG by excluding the valid treaty amount. Enter the valid treaty amount in Field 03TEX. Assign TPNC 494.

- If wages are exempt by tax treaty, an employer may report the taxable portion on Form W-2 and the tax exempt portion on Form 1042-S. If a Form W-2 and a Form 1042-S from the same employer are attached to the return, add the income from both forms together and then subtract the treaty exemption amount to determine if the taxpayer claimed more than the maximum amount allowed by treaty. The remainder is taxable and must be reported on line 1a (TY19, line 8).

(4) **Line 2b (TY19, Line 9a) - U.S. Bank Interest**

If	Then
When attached documents (i.e., Form 1099, Form 1042-S, or bank statements) indicate the taxpayer has included an amount of U.S. bank interest from line 2b (TY19, line 9a) (Field 03INT), in total income, Note: Do Not delete interest from other sources.	<ol style="list-style-type: none"> 1. Delete the entry from Field 03INT. 2. Assign TPNC 403.

(5) **Line 3a and 3b (TY19, Lines 10b and 10a) - Dividends**

- a. Refer to IRM 3.12.3, *Error Resolution, Individual Tax Returns, Error Code 218*, for correction procedures. If corresponding because the amount in line 3a (TY19, line 10b) is larger than line 3b (TY19, line 10a) select paragraph e on Form 13900 for *Letter 4087C*.

(6) **Line 5b (TY19, Line 17b) - Taxable Pension and Annuities**

- a. If Code & Edit has entered an "X" on line 5b (TY19, line 17b) of Form 1040-NR for pension income supported by Form 1042-S, then follow the correction procedures in EC 311 at IRM 3.22.3.233.3.2. If EC 218 generates, assign TPNC 429.
- b. If Code & Edit has re-computed line 23a (TY19, 54), Form 1040-NR, to exclude tax from pension income reported on Schedule NEC, and has added the taxable amount from Form 1099-R, **Distribution From Retirement Plans, Insurance Contracts, etc.**, to line 5b (TY19, line 17b) of Form 1040-NR, then assign TPNC 463.

(7) **Line 1, Schedule 1 (TY19, Line 11, Form 1040-NR) - State/Local Income Tax Refunds**

If	Then
Taxpayer is claiming state and local income taxes withheld (on Form W-2 or other supporting withholding statements) from the tax period of the tax return,	<ol style="list-style-type: none"> a. Delete the amount in Field 0401 and enter in Field 0701 b. If EC 218 generates, assign TPNC 413. .
Amount is different than the state and local income taxes paid,	No action is required.

(8) **Line 8z, Schedule 1 (TY20, Line 8, Schedule 1; TY19, Line 21, Form 1040-NR) - IRC 965 Income**

- a. If Section 965/965(a) is notated on line 8z, Schedule 1 (TY20, line 8, Schedule 1; TY19, line 21, Form 1040-NR), or IRC 965 Transition Tax Statement is attached, enter F in Field 01RPC and transmit. When EC 218 redisplay, SSPND 300.

3.22.3.168.2.2.2
(11-27-2020)
**J-1 Visa Exchange
Visitor Program**

- (1) Code & Edit may "X" the treaty exemption amounts claimed by some participants in the J-1 Visa Exchange Visitor Program. Use the following information to evaluate the tax treaty claims for participants of this program.

Note: See line E of Schedule OI of Form 1040-NR for a taxpayer's visa information

- (2) Foreign nationals with J-1 Visas are temporarily in the U.S. as a part of the Exchange Visitor Program for a period of a few weeks to several years. There are many program categories within the Exchange Visitor Program including programs for individuals in the U.S. for the primary purpose of participating in programs for study, training, teaching, or research. These J-1 visa program participants may be eligible for the treaty benefits of these categories of personal services.
- (3) Participants in the Camp Counselor and Summer Work/Travel Program categories are foreign students who are in the U.S. to work temporary, seasonal-type jobs during school vacations for a period not to exceed 4 months. These J-1 Visa program participants don't qualify for the Students, Trainees, Teachers and Researchers tax treaty exemptions. If a taxpayer with a J-1 visa is claiming a tax treaty exemption for study, training, teaching, or research then use the information on the tax return to determine if the taxpayer is in the U.S. as a part of the Camp Counselor or Summer Work/Travel Programs. Some indicators are:
- a. Occupation as "service provider"
 - b. Wages for summer-type seasonal work (e.g., retail, casinos, resorts, restaurants)
 - c. Number of days present in the U.S. of 4 months or less (see line H, Schedule OI)

If the taxpayer meets the criteria above and is claiming a tax treaty exemption for study, training, teaching, or research then the treaty claim isn't valid. Follow the instructions for invalid treaty exemption claims in paragraph (3) of IRM 3.22.3.168.2.2.1 for Form 1040-NR.

3.22.3.168.2.3
(04-28-2022)
**Correction Procedures
for EC 218 Form 1040**

- (1) **Form 1040** and any income reported is from Form 1042-S (Refer to instructions at IRM 3.22.3.264.3.3 if the income or withholding is from Form SSA/RRB 1042-S.)

Note: If the only income reported is from Form(s) 1042-S, Code & Edit is instructed to correspond for the filer's U.S. status.

If Form 1042-S is attached	And	Then
a) The only source of income is from Form 1042-S, and Code & Edit did NOT correspond for the filer's U.S. status,	The return or attachments includes a statement that identifies the taxpayer as a U.S. citizen or resident alien filing Form 1040,	Follow the instructions in (c) or (d) below for U.S. citizens and resident aliens.

If Form 1042-S is attached	And	Then
b) The only source of income is from Form 1042-S, and Code & Edit did NOT correspond for the filer's U.S. status,	The return doesn't include a statement that identifies the taxpayer as a U.S. citizen or resident alien,	SSPND 215 selecting paragraph X of Form 13900.
c) If the taxpayer is reporting worldwide income as a U.S. citizen or resident alien,	The Form 1042-S withholding amount is on the dotted portion of Form 1040, line 33 (TY19, line 19),	Enter the amount in Field 05OTH and enter "S" in Field 05TYP.
d) If the taxpayer is reporting worldwide income as a U.S. citizen or resident alien,	The Form 1042-S withholding amount is NOT on the dotted portion of line 33 (TY19, line 19),	<ol style="list-style-type: none"> 1. Adjust Field 03WH to exclude the tax withheld on Form 1042-S. 2. Enter the tax withheld on Form 1042-S in Field 05OTH and enter "S" in Field 05TYP.

3.22.3.168.2.3.1
(05-09-2025)

**Excluding income using
IRC 911 or Form 2555**

- (1) Each taxpayer claiming the foreign earned income exclusion must file an individual Form 2555. If income earned by both spouses is included on one form then follow the procedures in "General Requirements for Form 2555" at IRM 3.22.3.42.1. Also refer to this section for instructions for combining forms if a taxpayer files more than one Form 2555 for self.
- (2) Foreign Earned Income Exclusion, line 45, Form 2555 should be reported on line 8d, Schedule 1 (TY20, line 8, Schedule 1, Form 1040) as a **negative entry**.

Caution: Anytime the Form 2555 exclusion is being disallowed Sections 34/35 must be deleted as appropriate.

If	Then
The taxpayer claims Foreign Earned Income Exclusion,	Form 2555 must be attached to allow the exclusion of foreign earned income.
Form 2555 is missing,	SSPND with Action Code 215.
The taxpayer claims an exclusion on line 45 of Form 2555,	Make sure the exclusion was transferred to Line 8d, Schedule 1, Form 1040 as a negative entry.
The taxpayer included an amount for prior year exclusion, line 45, Form 2555,	
line 45 of Form 2555 is a negative amount,	<ol style="list-style-type: none"> 1. Make sure the exclusion was transferred to Line 8d, Schedule 1, Form 1040, as a positive amount. 2. Delete the amount in Field 3445/3545. 3. If EC 156 generates enter "C" in the Clear Code field.
The taxpayer included a Housing Deduction (line 50, Form 2555) with the Foreign Earned Income Exclusion on line 8,	<ol style="list-style-type: none"> 1. Delete the amount of Housing Deduction from Field 04OTI 2. Enter the Housing Deduction amount in Field 04ADJ. <p>Note: The taxpayer may claim a one-year carryover Housing Deduction. Allow the carryover in Field 04ADJ.</p>

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- (3) The taxpayer may notate **Claiming Waiver** on the tax return if they were unable to meet the time requirements due to adverse conditions in the foreign country.

- a. If the taxpayer notates "Claiming Waiver" and explains that they expected to meet the time requirements but conditions in the foreign country

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country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Belarus, Haiti, Iraq, Niger, Sudan, Ukraine

Tax Year	Countries That Qualify for Waiver
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

- b. If the taxpayer notates "Claiming Waiver" for a country other than the ones listed in the table above for each tax year, and the bona fide residence test or physical presence test requirements are not met, then disallow the Form 2555 exclusion and assign TPNC 309.

- (4) **Form 2555:** Foreign Earned Income, line 26, Form 2555) must be included on Page 1, Form 1040.

If	Then
a) The taxpayer has not included his Foreign Earned Income on line 1 of Form 1040, or lines, 3, 5, and/or 6 of Schedule 1 of Form 1040,	<p>Add the Foreign Earned Income into Field 03WG, 03TWG, 0403, 0405 and/or 0406, whichever is appropriate. If EC 218 redisplay assign TPNC 385.</p> <p>Caution: If the taxpayer is reporting a loss on Schedule C, and included the income on Form 2555, adjust both Form 2555 and Field 04OTI.</p>
b) If the taxpayer has excluded more than the allowable amount for the tax year, see EC 154 at IRM 3.22.3.146.3.	<ol style="list-style-type: none"> 1. Adjust the exclusion in Field 04OTI and 04ADJ as necessary to reflect the correct exclusion amount 2. Assign TPNC 304
c) The taxpayer attempts to exclude non-earned income on Form 2555 such as interest, dividends, capital gains, pensions and annuities, rental income, or social security,	<ol style="list-style-type: none"> 1. Adjust the exclusion in Field 04OTI and 04ADJ as necessary to reflect only earned income. 2. Adjust Fields 3445/3545 or DLSEC Sections 34 and/or 35 as appropriate. 3. EC 218 generates, assign TPNC 384.
d) The taxpayer made an error figuring the foreign earned income exclusion on Form 2555 by not deducting Sch C or F expenses,	<ol style="list-style-type: none"> 1. Adjust the exclusion in Field 04OTI, 3445/3545 and 3450/3550 as necessary 2. Assign a TPNC 303.
e) The taxpayer made an error figuring the foreign earned income exclusion on Form 2555 not related to Sch C or F expenses,	<ol style="list-style-type: none"> 1. Adjust the exclusion in Field 04OTI, 3445/3545 and 3450/3550 as necessary. 2. Assign TPNC 305.
f) The taxpayer transferred the incorrect amount of the allowable exclusion to Schedule 1, line 8,	Assign TPNC 308.

If	Then
g) The taxpayer does not qualify for either Bona Fide Residence or Physical Presence,	<ol style="list-style-type: none"> 1. DLSEC 34 or 35. 2. Delete the amount of exclusion claimed from Field 04OTI. 3. Assign TPNC 309. <p>Reminder: If the Form 2555 was the only International aspect of the return, SSPND 610 to renumber to domestic program.</p>

- (5) Form 1040 with Form 2555 that includes income earned in any of the 50 United States, District of Columbia or by U.S. government employees, including military personnel is not considered foreign earned income. Take the following actions:

If	Then
All the income is earned in the United States or by U.S. government employees, including military personnel,	<ol style="list-style-type: none"> 1. DLSEC 34/35 2. Delete the amount of exclusion claimed from Field 04OTI 3. Assign TPNC 309 and <p>Reminder: If Form 2555 was the only foreign aspect of the return, SSPND 610 to renumber to domestic.</p>
Portion of the income was earned in United States or U.S. government employees, including military personnel and portion earned in foreign country,	<ol style="list-style-type: none"> 1. Adjust both Form 2555 and Field 04OTI to allow only the income that was earned in a foreign country 2. Assign TPNC 309 <p>Reminder: The taxpayer must meet either bona fide residence or physical presence test or the Form 2555 is invalid.</p>

- (6) U.S. citizens living and working in the U.S. territories listed below are treated as if they are earning income in the United States for tax purposes and **are not permitted to claim** a foreign earned income exclusion:

Note: The earned income is determined by the employer's foreign address per line 1 of the Form 2555.

List of U.S. Territories not allowed to claim Foreign Earned Income Exclusion
American Samoa
Antarctica
Baker Island
Commonwealth of the Northern Mariana Islands
Guam
Howland Island
Johnston Island Atoll
Kingsman Reef
Midway Islands
Palmyra
Puerto Rico
United States Virgin Islands
Wake Island

a. Follow the instructions below:

If	Then
The taxpayer excludes earned income using Form 2555,	<ol style="list-style-type: none"> 1. Adjust Field 04OTI and Field 04ADJ, to exclude the foreign earned income exclusion amount. 2. Make sure the taxpayer has included the earned income on the applicable income lines of Form 1040 and Schedule 1. 3. DLSEC 34 or 35. 4. Assign TPNC 310.

Caution: Federated States of Micronesia, Marshall Islands, and Palau are treated as foreign countries for tax purposes and are eligible for the foreign earned income exclusion. These returns must be processed as FLC 20.

(7) **Form 2555** - Taxpayer living and working in a **restricted country** cannot claim the benefits under IRC 911:

Restricted Country	Beginning Date	End Date
Cuba Note: United States Naval Base at Guantanamo Bay is not located within a restricted country for purposes of the limitation set forth in section 911(d)(8)(A).	January 1, 1987	still in effect

- a. If the address on the Form 2555 is a restricted country, follow the chart below:

If	Then
The taxpayer is excluding earned income Cuba,	<ol style="list-style-type: none"> 1. Adjust Line 8d, Schedule 1, Form 1040 by deleting the foreign earned income exclusion amount 2. Make sure the taxpayer included the earned income on the applicable income lines of Form 1040 and Schedule 1 3. DLSEC 34 or 35 4. Assign TPNC 314.

3.22.3.168.2.3.2
(01-01-2023)

**IRC 931, IRC 933, or
Form 4563**

- (1) If the taxpayer is excluding income under IRC 931, IRC 933, or using Form 4563, make sure the income is reported and the exclusion is reported in Field 04OTI as a negative amount.

Caution: If the taxpayer is excluding Schedule D income from Form 1040 and EC 265 sets manually compute and verify tax without the Schedule D income.

- (2) If the taxpayer is excluding income received from a Form W-2 which shows state or local income taxes, this income cannot be excluded. Follow the instructions below:
- a. Adjust Field 03WG, Field 04OTI and Field 03TOT accordingly, and
 - b. Assign TPNC 347
- (3) If the taxpayer received income from services performed as an employee of the United States government or any of its agencies, the income cannot be excluded from the United States tax return. Follow the instructions below:

Exception: If the United States government wages are reported on both the United States and AS tax returns, Form 1116 can be attached to the United States tax return to claim credit for the taxes paid to U.S. territory.

- a. Adjust Field 04OTI to delete exempt income,
- b. Make sure the income is reported in the appropriate income field(s) of Form 1040 and Schedule 1, and
- c. Assign TPNC 437.

3.22.3.168.2.3.3

(06-25-2024)

Tax Treaty Claimed on Form 1040

- (1) Valid tax treaty income exemptions for teaching, studying, or training may be claimed on Form 1040 by the primary and/or the secondary taxpayer on the return.
 - a. The taxpayer must provide this information on the return or attachments to support the claim: the treaty country, the treaty article number, and the exempt amount. Correspond for any missing information selecting paragraph J on Form 13900
 - b. Verify the treaty claim using the treaty table at Exhibit 3.22.3-1, *Tax Treaty Table 2. Compensation for Personal Services*. If the taxpayer provides a treaty article number, but doesn't cite the subparagraphs, accept the treaty article without the subparagraphs if the country and amount are valid for that article number on the treaty tables.
 - c. If the tax treaty claimed is valid, make sure the income is reported in Field 03WG, and the exempt income amount is included in Field 04OTI as a negative amount.
 - d. If the taxpayer has wage income and claims a deduction as a negative amount on line 8 for contributions made to a Canadian Retirement or Pension Plan (e.g., "RPP", "RRSPS", Canada Article XVIII(8) through (13) on Form 8833), allow the deduction.
 - e. If the tax treaty claimed is invalid, make sure the income is reported in Field 03WG. Adjust Field 04OTI to delete the invalid tax treaty income and assign **TPNC 409**.
 - f. If **Article 19** of the U.S. - China Tax Treaty is claimed and it can be determined that the taxpayer has claimed the tax treaty for **more than 3 years**, make sure the income is reported, adjust Field 04OTI to delete the invalid tax treaty income and assign **TPNC 337**.
 - g. If the **Article 20c**, of the U.S.- China Tax Treaty is claimed and the taxpayer claims **more than \$5,000** make sure all of the income is reported in Field 03WG, and adjust Field 04OTI to allow whichever is less: the maximum \$5,000 or the maximum income up to the \$5,000 limit. Assign **TPNC 494**.
 - h. If the taxpayer **claimed a tax treaty amount for more than they earned**, make sure the income is reported, adjust Field 04OTI to allow whichever is less: the maximum treaty exclusion or maximum earned income.
 - i. If the taxpayer claimed a tax treaty amount for **income not related to teaching, studying, or training**, make sure the income is reported, adjust Field 04OTI and assign 337

3.22.3.168.2.3.4

(01-17-2023)

Taxable Social Security Benefits on Form 1040

- (1) If Code & Edit has edited "X" on line 6a and line 6b of Form 1040, **and** the taxpayer is excluding income using Form 2555, then enter the taxpayer's social security benefits in Field 03GSS and the taxable amount in Field 03TSS. If EC 214 generates see IRM 3.22.3.164.1, *EC 214 Correction Procedures*.

- (2) Follow the instructions in paragraph (1) if income is excluded using Form 2555. For all others, U.S. citizens who reside in certain countries are exempt from U.S. tax on their social security benefits. If the taxpayer resides in one of the countries listed below then Code & Edit will "X" the amounts for social security benefits on line 6a and line 6b of Form 1040. If the amount on line 6b is not entered and the taxpayer resides in one of these countries, then assign TPNC 131 if EC 218 generates.

- Canada
- Egypt
- Germany
- Ireland
- Israel
- Italy (Must also be a citizen of Italy for exemption to apply)
- Romania
- United Kingdom (England, Northern Ireland, Scotland and Wales)

- (3) If the taxpayer doesn't reside in one of the countries listed then enter the taxpayer social security benefits in Field 03GSS and the taxable amount in Field 03TSS. If EC 214 generates see IRM 3.22.3.164.1, *EC 214 Correction Procedures*.

3.22.3.168.2.4
(01-02-2025)

**Correction Procedures
for EC 218 for
Dual-status Returns**

- (1) A taxpayer who is a resident alien and a nonresident alien of the United States within the same tax year files a dual-status tax return. This condition usually occurs in the year of arrival or departure from the United States. The taxpayer will file Form 1040 or Form 1040-NR for the tax year based on the taxpayer's residence status on the last day of the year.
- a. The taxpayer will file a return on Form 1040 if a resident of the United States on the last day of the tax year.
 - b. The taxpayer will file a return on Form 1040-NR if **NOT** a resident of the United States on the last day of the tax year.
 - c. If the requirements are met, a dual-status alien may elect to be treated as a resident for the entire year.
 - d. Follow the intent of the taxpayer and process the tax form that is identified as "Dual-Status Return", if there is an indication they entered or left the United States in December. See question G Schedule OI, Form 1040-NR.
 - e. Process a Form 1040-NR as dual-status if the taxpayer identifies the return as a "Dual-Status Return" and attaches a Form 8854, *Initial and Annual Expatriation Statement*.
 - f. If unable to determine which return to process from Schedule OI of Form 1040-NR, or an attached statement elsewhere on the return, process the tax form that is identified by the taxpayer as the "Dual-Status Return".
 - g. If unable to determine which tax form should be processed as the return following (a) through (f) above, correspond for dual-status dates using paragraph W of Form 13900 for *Letter 4087C*.
- (2) **Renumbering of Tax Returns** - Follow chart below:

If	Then
The “controlling return” (the return to be processed) is a Form 1040, but the Form 1040-NR “statement” was originally numbered as the controlling return,	SSPND 610 to renumber to 1040 program.
The “controlling return” is Form 1040-NR, but the Form 1040 “statement” was originally numbered as the controlling return,	SSPND 610 to renumber to the 1040-NR program.
The taxpayer indicates dual-status but did “NOT” include both a “controlling return” and a “statement” and Code & Edit did NOT correspond for it,	<ol style="list-style-type: none"> 1. Research ERINV for the presence of the missing return 2. If found, SSPND 410 to work leader for association with the other return 3. Research IMFOLT to see if the other return has already posted as a TC 150. If so, process the return as is (do not renumber), using No Reply instructions for any missing information. 4. If missing return is not found, and has not posted, correspond selecting paragraph number V of Form 13900.

- (3) If the taxpayer checks and uses joint tax rates, has two names in the caption, claims an exemption for self and spouse and the return has two signatures **AND** the taxpayer specifically states that they are **making an election** to be taxed as resident aliens for the entire tax year, allow the election to use MFJ rates. Do not use dual-status processing instructions. Follow the instructions under Form 1040 processing.

Note: Refer to Filing Status instructions at IRM 3.22.3.15.12.

- (4) **Tax Treaties** - In general, dual-status taxpayers are entitled to tax treaty benefits only on income received during the period of U.S. nonresidence. Treaty income must be reported and the treaty exclusion must be explained on the Form 1040-NR.

If	And	Then
The taxpayer is excluding income based on a tax treaty on his/her Form 1040-NR,		<ul style="list-style-type: none"> Verify the tax treaty - Income for personal service. See Exhibit 3.22.3-1 and Exhibit 3.22.3-2 Verify the tax treaty - Income from other than personal service. See Exhibit 3.22.3-3
Taxpayer is excluding income based on a tax treaty	Taxpayer did not provide the treaty country, the tax treaty article number, and the amount exempt	SSPND 215 for the missing information selecting paragraph J on Form 13900
Form 1040 is the controlling return,	Tax treaty claim is valid	Do not include the excluded income on the return.
Form 1040 is the controlling return,	Tax treaty claim is invalid	<ol style="list-style-type: none"> Make sure the income is reported in the appropriate income fields Assign TPNC 409.
Form 1040-NR is the controlling return,	Tax treaty claim is valid	Enter the tax treaty exclusion amount in Field 03TEX and delete the income if reported.
Form 1040-NR is the controlling return,	Tax treaty claim is invalid	<ol style="list-style-type: none"> Delete the amount from Field 03TEX. Make sure the income is reported in the appropriate Field(s) 03WG - 04OTI. Assign TPNC 409.

- (5) Combine the amounts reported on the statement return with the amounts reported on the controlling return and enter the combined amounts in the related fields for each section of the return. If income is reported on the Form 1040 and there is no corresponding line on the Form 1040-NR add the income

to field 04OTI when combining the statement to the controlling return. If the taxpayer did NOT combine, or makes an error in combining the return and the statement, assign TPNC 325.

Note: If the controlling return and the statement return have identical entries **do not** combine tax returns.

- (6) Dual-status taxpayers are allowed to claim the Foreign Earned Income Exclusion, Housing Deduction, and Housing Exclusion on the Form 1040 portion of their income by using a valid Form 2555. Income earned during the Form 1040-NR period may not be excluded with Form 2555. Caution must be used when working dual-status returns when the Form 1040-NR is the controlling document as there is no designated line on this form for claiming the exclusion, and the Form 2555 can't be transcribed. Manually verify taxpayer's entries and use ERS Input Only Fields as necessary to allow the exclusion when valid. See IRM 3.22.3.168.2.3.1 and IRM 3.22.3.42.

If	Then
The taxpayer is excluding foreign income earned during the Form 1040-NR period with Form 2555,	<ol style="list-style-type: none"> 1. Delete the Form 2555 entry in Field 04OTI and Field 04ADJ if present. 2. Make sure the income amount has been included in Section 03 and Section 04. 3. Assign TPNC 387.

3.22.3.168.3

(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 218**

- (1) The following Taxpayer Notice Codes are used for EC 218.

TPNC	Literal
	Any previously assigned TPNC
100	
113	Welfare payments, Workmen's Compensation, etc., aren't taxable.
114	You didn't include all the income shown on your Form(s) W-2, Form W-2G, etc., in the income section.
115	We adjusted total income to include tips from Form 4137.
116	Computed or transferred total taxable interest amount incorrectly.
117	Disallowed excludable savings bond interest because FSC 3.
119	Computed or transferred total taxable dividend income incorrectly.
120	You can't subtract State income tax payments from the income reported on Form 1040. (Form 1040)

TPNC	Literal
121	Computed or transferred Schedule C incorrectly.
122	Computed or transferred Schedule D incorrectly.
123	Transferred capital gain or loss from Form 4797 incorrectly.
125	We didn't allow the amount claimed as a repayment of unemployment compensation for a prior year on your tax return. This amount is subject to a 2 percent limitation. This amount should be claimed as other expenses on Schedule A, Itemized Deductions. We have adjusted your return accordingly.
126	Computed or transferred Schedule E incorrectly.
127	Computed or transferred Schedule F incorrectly.
129	You can't claim negative unemployment compensation.
131	Computed taxable social security benefits incorrectly.
132	You must deduct any repayment over the amount of Social Security Benefits received in the tax year on Schedule A.
134	Disallowed child's income from Form 8814 because income greater than the maximum allowed for the tax year.
136	We changed the amount of other gains or losses on your tax return to include your overall business loss from your Form 4684, Casualties and Thefts. If you are not required to file Form 4797, Sales of Business Property, casualty or theft losses of business property must be included with income reported on your tax return.
138	Adjusted total income to include employer-provided benefits in excess of child care expenses.
141	Computed total income incorrectly.
165	Disallowed combat pay excluded from income not identified as combat pay on your Form W-2.
170	We changed the amount claimed as ordinary dividends on your tax return. The amount of qualified dividends cannot exceed the amount of ordinary dividends
216	Computed or transferred Form 8814 incorrectly.
218	We computed your tax for you.
501	We changed the amount reported as adjusted gross income on your tax return because you either didn't complete Schedule 1, Additional Income and Adjustments to Income, or didn't attach it to your tax return.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
588	The first \$2,400 of unemployment compensation paid to a person is not taxable. We reduced the unemployment compensation you, or if you filed a joint return, your spouse reported on your tax return accordingly. (TY 2009 only)
759	We adjusted your tax return because you reported income or withholding from different tax years on your return. We processed your tax return with only the income earned and the tax withheld in the year of the tax return.

TPNC	Literal (International 1040 with Form 2555 and Form 1040-NR)
300	Form 2555 was incomplete or not attached.
303	You figured your foreign earned income exclusion, housing exclusion, or housing deduction incorrectly on Form 2555. Our records indicate that you incorrectly computed your net foreign earned income. We have changed your tax return accordingly
304	Disallowed foreign earned income exclusion that was greater than maximum allowed for that tax year.
305	Computed Form 2555/Form 2555-EZ incorrectly.
308	Transferred foreign earned income exclusion, housing exclusion, or housing deduction incorrectly from Form 2555/Form 2555-EZ to your Form 1040.
309	Disallowed foreign Earned Income Exclusion, Form 2555/Form 2555-EZ because you did not live in a foreign country or because you did not meet the Tax Home Test for either the Bona Fide residence or the Physical Presence Test.
310	Disallowed foreign earned income exclusion because you are a resident of a U.S. Territory.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income that is excluded on Form 2555/Form 2555-EZ.
314	We have disallowed your foreign earned income exclusion, housing exclusion, and/or housing deduction claimed on your tax return. Travel to Cuba is restricted.
325	You did not combine the income from your 'Dual-Status Statement' to your dual-status return correctly. We have adjusted your return accordingly.

TPNC	Literal (International 1040 with Form 2555 and Form 1040-NR)
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.
384	You may not exclude unearned income on Form 2555/Form 2555-EZ. You may be able to reduce your tax by filing an Amended Tax Return with Form 1116.
385	We changed the total income on Page 1 of your tax return to include the taxable amount of your foreign earned income.
386	We did not allow your Form 2555/Form 2555-EZ, Foreign Earned Income because you filed a Form 1040-NR tax return.
387	We did not allow your Form 2555 or Form 2555-EZ Foreign Earned Income Exclusion because you filed a dual-status tax return and are claiming an exclusion of income associated with the Form 1040-NR portion of your return. Only the income associated with the Form 1040 portion of income may be excluded. We have adjusted your return accordingly.
403	U.S. bank interest income is not taxable. We have adjusted your return accordingly.
404	We refigured your income to include capital gains from Form 8288-A.
406	Disallowed treaty exemption claim because you didn't reply with more information.
409	Disallowed invalid treaty exemption claim.
413	State income tax payments must be claimed as an itemized deduction on I Schedule A, Itemized Deductions. These payments can't be subtracted from total income on the tax return. If you filed a Schedule A, we changed it to include the state income tax payments. If you didn't file a Schedule A, we allowed it as your total itemized deduction on Schedule A because it lowered your taxable income. (Form 1040-NR)
429	You figured your tax incorrectly on Form 1040-NR, page 2, using the tax tables. We refigured your tax using the 30% (or lower treaty) rate from Schedule NEC of Form 1040-NR. We have changed your tax return accordingly.
437	We didn't allow you to exempt the income you received from services performed as an employee of the United States government or one of its agencies. This income is taxable. We have adjusted your return accordingly.

TPNC	Literal (International 1040 with Form 2555 and Form 1040-NR)
447	Your tax rate for gambling winnings paid to nonresident aliens is 30 percent.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty.
463	You figured your tax incorrectly using the 30 percent (or lower treaty) rate from Form 1040-NR, Schedule NEC. We refigured your tax on page 2, Form 1040-NR, using the tax tables. We have changed your tax return accordingly.
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.169
(01-03-2012)
**Error Code 220/520 -
Educator Expense**

- (1) EC 220 generates when Total Adjustments and Total Adjustments Computer are not equal and Educator Expense amount is not equal to Educator Expense amount computer
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 220*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.169.1
(01-01-2023)
**Fields Displayed - EC
220**

- (1) The following fields are displayed for EC 220

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
04EDU	Educator Expenses Deduction
>>>>	Educator Expenses Deduction Computer
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer

Note: The fields displayed for EC 520 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 220.

3.22.3.170
(01-01-2015)

**Error Code 222/522 - IRA
Payments**

- (1) EC 222 generates when Total Adjustments and Total Adjustments Computer are not equal and IRA Payments Amounts is not equal to IRA Payment Amount Computer. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 222*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.170.1
(01-01-2025)

**Fields Displayed - EC
222**

- (1) The following fields are displayed for EC 222.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01SPC	Special Processing Code
03TOT	Total Income
>>>>	Total Income Computer
04EDU	Educator Expenses
>>>>	Educator Expenses Computer
04CBE	Reservist and Other Business Expenses Amount
04HSA	Health Savings Account Deduction
>>>>	Health Savings Account Deduction Computer
04MOV	Moving Expense
04DSE	Deduction for SE Tax
>>>>	Deduction for SE Tax Computer
04SEP	SE Retirement Plans Deduction
04HID	SE Health Insurance Deduction
04PEW	Early Withdrawal Penalty
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
94IRV	IRA Deduction Verified (ERS only)
04MSA	Archer MSA Deduction
>>>>	Archer MSA Deduction Computer
04ADJ	Other Adjustments
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
>>>>	Non Itemized Charitable Contribution Deduction Computer

Note: The fields displayed for EC 522 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 222.

(2) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, the following TPNC is valid for this Error Code:

- 311 - We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

3.22.3.171
(01-01-2013)
**Error Code 224/524 -
Student Loan Interest
Deduction**

- (1) EC 224 generates when total adjustments and total adjustments computer are not equal and Student Loan Interest Deduction amount is not equal to Student Loan Interest Deduction amount computer.
- (2) Refer to EC 224 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, EC 224, for invalid conditions, correction procedures and allowable TPNCs.

Note: When Form 2555 is attached, Sections 34/35 must be checked for transcription errors at Fields 3445/3545 and 3450/3550. When Form 2555-EZ is attached, the line 18 amount must be entered in Fields 3445/3545.

3.22.3.171.1
(01-01-2026)
**Fields Displayed - EC
224**

- (1) The following fields are displayed for EC 224.

Form 1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
03DSI	Dependent Status Indicator
01EXC	Exemption Code
94EXV	Exemption Code Verified
	Scholarship and Fellowship Grants
03TOT	Total Income
>>>>	Total Income Computer
04EDU	Educator Expenses
>>>>	Educator Expenses Computer
04CBE	Reservist and Other Business Expenses Amount
04HSA	Health Savings Account Deduction
>>>>	Health Savings Account Deduction Computer
04MOV	Moving Expenses
04DSE	Deduction for SE Tax
>>>>	Deduction for SE Tax Computer

Form 1040-NR	Field Title
04SEP	SE Retirement Plans Deductions
04HID	SE Health Insurance Deduction
04PEW	Penalty on Early Withdrawal
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
04SLI	Student Loan Interest Deduction
>>>>	Student Loan Interest Deduction Computer
94SLV	Student Loan Interest Deduction Verified (ERS only)
04MSA	Archer Medical Savings Account
>>>>	Archer Medical Savings Account Computer
04ADJ	Other Adjustments
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer

- (2) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, the following TPNCs are valid for this Error Code:

- 311 -We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

Note: The fields displayed for EC 524 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 224.

3.22.3.172
(01-01-2015)
**Error Code 226/526 -
Health Savings Account**

- (1) EC 226 generates when total adjustments and total adjustments computer are not equal and Health Savings Account (HSA) amount is not equal to Health Savings Deduction amount computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 226*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.172.1
(01-01-2023)
**Fields Displayed - EC
226**

- (1) The following fields are displayed for EC 226

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
04HSA	Health Savings Account
>>>>	Health Saving Account Computer

1040-NR	Field Title
S52NP	Section 52 Not Present
5201	High Deductible Plan Indicator
5202	HSA Contributions
5203	HSA Annual Deductible
5204	Total Archer MSA Contributions
5205	Limited HSA Contributions
5206	One-Half Adjusted HSA Deductible
5207	Additional HSA Contributions
5208	Total HSA Contributions High Deductible Coverage
5209	Employer HSA Distributions
5210	Qualified HSA Funding Distributions Amount
5211	Total Contributions Funding Distributions Amount
5212	HSA Contributions Limit Amount
5213	Form 8889 HSA Deduction Amount
52HSV	Health Savings Account Deduction Verified Amount
5214A	Total HSA Distributions Amount
5214B	HSA Distributions Rollover Amount
5214C	Net HSA Distributions Amount
5215	Unreimbursed Qualified Medical Expenses Amount
5216	Taxable HSA Distribution Amount
5217A	Additional 10 percent Tax Exception Indicator
5217B	Additional 10 percent Distribution Tax Amount
5218	HDHP Failure Part Year Coverage Amount
5219	HDHP Failure Funding Distribution Amount Funding
5220	HDHP Failure Total Income Amount
5221	HDHP Failure Additional Tax Amount
>>>>	Form 8889 Additional Tax Section 52 Computer

3.22.3.173
(01-01-2015)
**Error Code 227/527 -
MSA Deduction**

- (1) EC 227 generates when total adjustments and total adjustments computer are not equal and Medical Savings Account (MSA) Deduction amount is not equal to MSA Deduction amount computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 227*, for invalid conditions, correction procedures and allowable TPNs.

3.22.3.173.1
(01-01-2020)

Fields Displayed - EC 227

- (1) The following fields are displayed for EC 227.

1040-NR	Field Title
01TXP	Tax Period
01FSC	Filing Status Code
04MSA	Archer MSA Deductions
>>>>	Archer MSA Deductions Computer
3901	Form 8853 Archer Total Employer MSA Contributions Amount
3902	Total Form 8853 Archer MSA Contribution Amount
3903	Form 8853 Archer MSA Limitation Amount
3904	Form 8853 MSA High Deductible Compensation Amount
S39NP	Section 39 Not Present

- (2) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, the following TPNC is valid for this Error Code:

- 311- We transferred the information from the tax form you filed and processed it as a Form 1040-NR

Note: The fields displayed for EC 527 will include a Clear Code field and 02NC> and all other fields will be the same as EC 227.

3.22.3.174
(01-01-2018)

Error Code 229/529 - Total Adjustments Difference

- (1) EC 229 generates when Total Adjustments and Total Adjustments Computer are not equal.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 229*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3.174.2.1 for correction procedures and allowable TPNCs.

3.22.3.174.1
(01-01-2025)

Fields Displayed - EC 229

- (1) The following fields are displayed for EC 229.

1040-NR	Field Title
01SPC	Special Processing Code
01FPC	Form Processing Code
04EDU	Educator Expenses
>>>>	Educator Expenses Computer
04CBE	Reservist and Other Business Expenses Amount
04HSA	Health Savings Account Deduction
>>>>	Health Savings Account Deduction Computer
04MOV	Moving Expenses

1040-NR	Field Title
04DSE	Deduction for Self-Employment Tax
>>>>	Deduction for Self-Employment Tax Computer
04SEP	SE Retirement Plans Deductions
04HID	SE Health Insurance Deduction
04PEW	Early Withdrawal Penalty
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
04SLI	Student Loan Interest Deduction
>>>>	Student Loan Interest Deduction Computer
04MSA	Archer MSA
>>>>	Archer MSA Deduction Computer
04ADJ	Other Adjustments
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
03NCC	Non Itemized Charitable Contribution Deduction
>>>>>	Non Itemized Charitable Contribution Deduction Computer

Note: The fields displayed for EC 529 will include a Clear Code field and 02NC> and all other fields will be the same as EC 229.

3.22.3.174.2
(01-01-2018)

**Correction Procedures -
EC 229**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.

3.22.3.174.2.1
(01-01-2023)

**Correction Procedures
EC 229 - Form 1040**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) **Form 1040 with Form 2555** - If the taxpayer included a **Housing Deduction** (from line 50, Form 2555) with the Foreign Earned Income Exclusion (from line 45, Form 2555) on Schedule 1, line 8d (TY20, Schedule 1, line 8) of Form 1040 or notated an amount identified as Housing Deduction on Schedule 1, line 24j (TY20, the dotted portion of Schedule 1, line 22) of Form 1040; delete the amount of the Housing Deduction from line 8d and enter in Field 04ADJ.

Note: The taxpayer may claim a one-year carryover Housing Deduction. Allow the carryover in Field 04ADJ.

- (3) **Form 1040 with Address in or Excluding Income from Puerto Rico IRC 933** - If an adjustment for a United States government Cost of Living Allowance (COLA) has been deleted by Code & Edit, assign TPNC 315

3.22.3.174.2.2

(01-01-2025)

**Correction Procedures
EC 229 - Form 1040-NR**

- (1) For TY 22 and forward taxpayers are directed to net out their Scholarship and Fellowship grants with any treaty or degree program exclusions and report that net amount on Schedule 1, line 8r.

- (2) **TY 21 and prior Line 10c (TY19, Line 31) - Scholarship and Fellowship Grants Excluded** -The scholarship and fellowship grant income on line 1b (TY19, Form 1040, line 12) of Form 1040-NR that is used for tuition and other course-related expenses may be excluded on line 10c (TY19, line 31) if the taxpayer is a degree candidate. If an amount is present on line 10c (TY19, line 31) there must be an amount on line 1b (TY19, line 12).

Caution: If the taxpayer is using line 10c (TY19, line 31) to **exempt income based on a tax treaty** then treat the amount as a misplaced entry and follow the instructions for line 1b (TY19, line 12) and line 9, Schedule 1 (TY20, line 8, Schedule 1 (TY19, line 22, Form 1040-NR) at IRM 3.22.3.168.2.2, *Correction Procedures for EC 218 Form 1040-NR*.

- (3) For TY 21 and prior If an amount is on line 10c (TY19, line 31) for Scholarship and Fellowship Grants Excluded follow the instructions in the chart below:

If	Then
<p>An amount is present on both line 1b and line 10c (TY19, lines 12 and 31), Form 1040-NR and a Form 1042-S with Income Code 16 or statement from the educational institution (on the college or university letterhead) is not attached.</p> <p>Note: The statement must show the amount of grant, grantor's name, dates covered and expenses incurred. This information may be on Form 1098-T.</p>	<p>SSPND 215 and correspond selecting paragraph letter I (eye) on Form 13900.</p>
<p>There is no amount present on line 1b (TY19, line 12), Form 1040-NR and a Statement (Form 1042-S or other Payer Statement) is attached,</p>	<p>Enter the gross amount of the Scholarship or Fellowship Grant income in Field 04SFG.</p>
<p>The taxpayer is excluding income from a Form W-2 issued by a college or university and no statement is present from the college or university (on school letterhead) that shows the amount of grant, grantor's name, dates covered and expenses incurred,</p>	<p>SSPND 215 and correspond for the statement selecting paragraph letter I (eye) on Form 13900.</p> <p>Exception: When it can be determined that the taxpayer's income is from an occupation other than student (e.g., Form W-2 issued from other than an educational institution, occupation area of the return indicates intern, technical supporter, doctor) do not correspond.</p>
<p>The taxpayer is excluding income on line 10c (TY19, line 31) that is not scholarship and fellowship grant income,</p>	<p>1. Assign TPNC 416.</p>
<p>Scholarship/fellowship grant income is included on line 1a (TY19, line 8),</p>	<p>1. Adjust Field 03WG to exclude the scholarship/fellowship grant income.</p> <p>2. Enter the scholarship/fellowship grant amount in Field 04SFG.</p>

If	Then
The amount on line 10c (TY19, line 31), Form 1040-NR, exceeds the amount on Form 1042-S Box 5 (withholding allowance) and/or statement of school related expenses (e.g. tuition, books, supplies),	1. Assign TPNC 416.
The amount on line 10c (TY19, line 31), Form 1040-NR, exceeds the amount on line 1b (TY19, line 12), Form 1040-NR.	1. Assign TPNC 416.

- (4) If the taxpayer is filing a Form 1040-NR and is attempting to claim a credit from Form 8917, *Tuition and Fees Deduction*, assign TPNC 400.
- (5) If the taxpayer is claiming a self-employment (SE) tax deduction anywhere in the "adjustment to income area" (lines 11 - 26, Schedule 1), enter the amount in Field 04DSE.
- (6) If the taxpayer is paying SE Tax and did not take the SE Tax Deduction, enter it in Field 04DSE and assign TPNC 158.
- (7) TY18 and prior, If Domestic Production Activities Deduction is reported in adjustments to income area, enter the amount in field 04ADJ. If EC 228 generates, follow the correction procedures in IRM 3.22.3 and IRM 3.12.3
- (8) If the taxpayer has entered an amount on line 19a, Schedule 1 (TY20, line 18a) or a write-in on TY19, line 34, Form 1040-NR for **Alimony Paid**, assign TPNC 801.

3.22.3.174.2.3
(04-20-2022)

**Correction Procedures
EC 229 - Dual-Status
Form 1040-NR**

- (1) If the taxpayer has entered an amount on line 19a, Schedule 1 (TY20, line 18a) or a write-in on TY19, line 34 of a dual-status Form 1040-NR for Alimony Paid, take the following action:

If	Then
The Alimony Paid amount is claimed as an adjustment on Schedule 1, line 19a (TY20, Schedule 1, line 18a) of the Form 1040 statement and transferred to Form 1040-NR,	Enter the amount in Field 04ADJ. Note: If an Alimony TIN is not found on the Form 1040 statement or attachments, then research for the TIN on a prior year return using CC RTVUE/TRDBV. If not found then follow the instructions in IRM 3.12.3, EC 229, Field 0418A, Alimony Paid.

If	Then
If the Alimony Paid amount is not claimed as an adjustment to income on the Form 1040 statement,	Assign TPNC 801.

3.22.3.174.3
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 229**

- (1) The following Taxpayer Notice Codes are used for EC 229.

TPNC	Literal
	Any previously assigned TPNC
100	
147	You or your spouse claimed more than the amount allowed for your IRA Deduction.
149	You aren't allowed to claim an IRA deduction unless your participation in the KEOGH, SIMPLE, or Simplified Employee Pension Plan (SEP) was considered inactive.
151	You claimed more than the amount allowed for your student loan interest deduction (limited to zero if married filing separately or maximum AGI).
158	We changed the deductible part of self-employment tax on your tax return.
161	Disallowed adjustment for deferred savings plan. Your Form W-2 wages already reflected this adjustment.
164	We didn't allow the amount claimed as alimony paid on your tax return because the alimony was paid to the spouse that was claimed as an exemption on your tax return.
166	You should claim Employee Business on Schedule A.
167	Disallowed qualified performing artists (QPA) expenses.
169	Disallowed jury pay.
171	We didn't allow the amount claimed as Health Savings Account Deduction on your tax return because Form 8889 was incomplete or not attached.
174	You computed your total adjustments on your tax return incorrectly.
175	We found an error in the computation of your adjusted gross income on your tax return. (Form 1040)
218	We computed your tax for you.
551	No reply Form 3903/3903F
553	No Reply, Form 2106.

TPNC	Literal
557	We didn't allow the deduction amount for domestic production activities on your tax return because Form 8903, Domestic Production Activities Deduction, was not attached to your tax return.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
300	Form 2555 was incomplete or not attached.
303	You figured your foreign earned income exclusion, housing exclusion, or housing deduction incorrectly on Form 2555. Our records indicate that you incorrectly computed your net foreign earned income. We have changed your tax return accordingly. (Form 1040)
304	You can't exclude more than the allowable amount of foreign earned income on Form 2555.
305	You figured the amount on Form 2555 incorrectly.
308	Transferred foreign earned income exclusion, housing exclusion, or housing deduction incorrectly from Form 2555 to your Form 1040.
309	Disallowed foreign earned income exclusion, Form 2555 because you did not live in a foreign country or because you did not meet the Tax Home Test for either the Bona Fide residence or the Physical Presence Test.
310	Disallowed foreign earned income exclusion because you are a resident of a United States Territory.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
314	We have disallowed your foreign earned income exclusion, housing exclusion, and/or housing deduction claimed on your tax return. Travel to Cuba is restricted.
315	We cannot allow a deduction for a U.S. government Cost of living allowance. We have adjusted your tax return accordingly.
325	You did not combine the income from your 'Dual-Status Statement' to your dual-status return correctly.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.

TPNC	Literal
400	As a nonresident Alien, you are not allowed to take an adjustment to income for Tuition and Fees on Form 1040-NR.
406	Disallowed treaty exemption claim because you didn't reply with more information.
409	Disallowed invalid tax treaty claim.
415	Disallowed scholarship or fellowship exclusion required supporting statement was not attached.
416	The amount of scholarship or fellowship exclusion cannot exceed the amount of scholarship or fellowship received.
447	Your tax rate for gambling winnings paid to nonresident aliens is 30 percent.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty.
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount.
501	We changed the amount reported as adjusted gross income on your tax return because you either didn't complete Schedule 1, Additional Income and Adjustments to Income, or didn't attach it to the return.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs and Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.175
(01-01-2015)

**Error Code 230/530 -
Adjusted Gross Income**

- (1) EC 230 generates when Adjusted Gross income is not equal to adjusted gross income computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 230*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.175.1
(01-01-2025)

**Fields Displayed - EC
230**

- (1) The following fields are displayed for EC 230.

1040-NR	Field Title
01RPC	Return Processing Code
04OTI	Other Income
03TEX	Treaty Exempt Income
03TOT	Total Income
>>>>	Total Income Computer

1040-NR	Field Title
04EDU	Educator Expenses
>>>>	Educator Expenses Computer
04CBE	Reservist and Other Business Expenses Amount
04HSA	Health Savings Account Deduction
>>>>	Health Savings Account Deduction Computer
04MOV	Moving Expenses
04DSE	Deduction for SE Tax
>>>>	Deduction for SE Tax Computer
04SEP	SE Retirement Plans Deductions
04HID	SE Health Insurance Deduction
04PEW	Early Withdrawal Penalty
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
04SLI	Student Loan Interest Deduction
>>>>	Student Loan Interest Deduction Computer
04MSA	Archer MSA Deduction
>>>>	Archer MSA Deduction Computer
04ADJ	Other Adjustments
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer

Note: The fields displayed for EC 530 will include a Clear Code field and 02NC> and all other fields will be the same as EC 230.

3.22.3.175.2
(01-01-2015)

**Correction Procedures -
EC 230**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.

3.22.3.175.2.1
(01-01-2023)

**Correction Procedures
EC 230 - Form 1040**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) **Form 1040 with Form 2555** -If the taxpayer included a **Housing Deduction** (from line 50, Form 2555) with the Foreign Earned Income Exclusion (from line 45, Form 2555) on Schedule 1, Line 9 (TY20, Schedule 1, Line 8), Form 1040 or notated an amount identified as Housing Deduction on the dotted portion of

Schedule 1, line 24j (TY, Schedule 1, line 22) Form 1040; delete the amount of the Housing Deduction from Schedule 1, Line 9 (TY20, Schedule 1, line 8) and enter in Field 04ADJ.

Note: The taxpayer may claim a one-year carryover Housing Deduction. Allow the carryover in Field 04ADJ.

- (3) **Form 1040 with Address in or Excluding Income from Puerto Rico IRC 933** - If an adjustment for a United States government Cost of Living Allowance (COLA) has been deleted by Code & Edit, assign TPNC 315

3.22.3.175.2.2
(04-20-2022)

**Correction Procedures
EC 230 - Form 1040-NR**

- (1) For TY21 and prior Scholarship and fellowship grant income on line 1b (TY19, line 12) of Form 1040-NR which is used for tuition and other course-related expenses may be excluded on line 10c (TY19, line 31) if the taxpayer is a degree candidate. See the instructions in EC 229 if the taxpayer amount is related to this exclusion.
- (2) If the taxpayer is claiming an income exemption on lines 11 through 26 of Schedule 1 (TY20, 10 through 22 of Schedule 1; TY19, lines 23 through 35 of Form 1040-NR) based on a **tax treaty** then treat the amount as a misplaced entry and follow the instructions for lines 1a, 1b and 1k (TY19, lines 8, 12 and 22) for EC 218. After following the instructions in EC 218 delete the amount. If EC 230 generates assign TPNC 175.
- (3) If the taxpayer is claiming SE Tax Deduction anywhere in the "adjustment to income area", enter the amount in Field 04DSE.
- (4) If the taxpayer is paying SE Tax and did not take the SE Tax Deduction, enter it in Field 04DSE and assign TPNC 158.
- (5) If the taxpayer made an error subtracting lines 10d from line 9 (TY19, line 34 from line 23), assign TPNC 175.

3.22.3.175.3
(11-27-2020)

**Allowable Taxpayer
Notice Codes - EC 230**

- (1) The following Taxpayer Notice Codes are used for EC 230.

TPNC	Literal
	Any previously assigned TPNC
100	
147	You or your spouse claimed more than the amount allowed for your IRA deduction.
158	We changed the deductible part of self-employment tax on your tax return. The entry for the deductible part of self-employment tax was missing, figured incorrectly or Schedule SE was incomplete or not attached.
161	Disallowed adjustment for deferred savings plan. Your Form W-2 wages already reflected the adjustment.
171	We didn't allow the amount claimed as Health Savings Account Deduction on your tax return because Form 8889 was incomplete or not attached to your tax return. (Form 1040)

TPNC	Literal
172	We didn't allow the amount claimed as Archer MSA on your return because Form 8853 was incomplete or not attached to your tax return. Form 1040
174	You computed your total adjustments on your tax return incorrectly.
175	We found an error in the computation of your adjusted gross income on your tax return. (Form 1040)
218	We computed your tax for you.
501	We changed the amount reported as adjusted gross income on your tax return because you either didn't complete Schedule 1, Additional Income and Adjustments to Income, or didn't attach it to your tax return.
551	No reply Form 3903 or Form 3903F.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
300	Form 2555/Form 2555-EZ was incomplete or not attached.
303	You figured your foreign earned income exclusion, housing exclusion, or housing deduction incorrectly on Form 2555. Our records indicate that you incorrectly computed your net foreign earned income. We have changed your tax return accordingly. (Form 1040)
304	You can't exclude more than the allowable amount of foreign earned income on Form 2555/Form 2555-EZ.
305	You figured the amount on Form 2555/Form 2555-EZ incorrectly.
308	Transferred foreign earned income exclusion, housing exclusion, or housing deduction incorrectly from Form 2555/Form 2555-EZ to your Form 1040.
309	Disallowed foreign earned income exclusion, Form 2555/Form 2555-EZ because you did not live in a foreign country or because you did not meet the Tax Home Test for either the Bona Fide residence or the Physical Presence Test.
310	Disallowed foreign earned income exclusion because you are a resident of a United States Territory.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income excluded on Form 2555/Form 2555-EZ.

TPNC	Literal
314	We have disallowed your foreign earned income exclusion, housing exclusion, and/or housing deduction claimed on your tax return. Travel to Cuba is restricted.
315	We cannot allow a deduction for a U.S. government Cost of living allowance. We have adjusted your tax return accordingly.
325	You did not combine the income from your 'Dual-Status Statement' to your dual-status return correctly.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.
400	As a nonresident Alien, you are not allowed to take an adjustment to income for Tuition and Fees on Form 1040-NR.
406	Disallowed treaty exemption claim because you didn't reply with more information.
409	Disallowed invalid tax treaty claim.
415	Disallowed scholarship or fellowship exclusion required supporting statement was not attached.
416	The amount of scholarship or fellowship exclusion cannot exceed the amount of scholarship or fellowship received.
447	Your tax rate for gambling winnings paid to nonresident aliens is 30 percent.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty.
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, See Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.176
(01-01-2018)
Error Code 231 - Form 8962 Discrepancy

- (1) EC 231 will generate when Form 8962, *Premium Tax Credit (PTC)*, is present and Modified Adjusted Gross Income (MAGI) and dependent's MAGI doesn't equal the AVS Household Income Computer Amount. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Error Code 231*, for screen display, invalid conditions and correction procedures.

3.22.3.176.1
(01-01-2025)
Fields Displayed - EC 231

- (1) The following fields are displayed for EC 231.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
1CCC	Computer Condition Code
03TEI	Tax-Exempt Interest
0403	Combined Schedule C Profit/Loss
>>>>	Combined Schedule C Profit/Loss Computer
03CGL	Schedule D Profit/Loss
>>>>	Schedule D Profit/Loss Computer
0405	Schedule E Profit/Loss
>>>>	Schedule E Profit/Loss Computer
0406	Combined Schedule F Profit/Loss
>>>>	Combined Schedule F Profit/Loss Computer
0407	Taxable Unemployment Compensation
04OTI	Other Income Amount
03ADD	Additional Income Amount
>>>>>	Additional Income Amount Computer
03TOT	Total Income
>>>>	Total Income Computer
04EDU	Educator Expense Amount
>>>>	Educator Expense Amount Computer
04HSA	Combined Health Savings Account Deduction
>>>>	Combined Health Savings Account Deduction Computer
04DSE	Deduction for SE Tax
>>>>	Deduction for SE Tax Computer
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
04SLI	Student Loan Interest Deduction
>>>>	Student Loan Interest Deduction Computer
04MSA	Archer MSA Deduction
>>>>	Archer MSA Deduction Computer
04ADJ	Other Adjustments

1040-NR	Field Title
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	AGI Computer
7302A>	AVS PTC MAGI Computer
7302B	Dependents MAGI
7303>	AVS Household Income Computer
7308B	Monthly Contribution Health Care
7308B>	AVS Monthly Contribution Computer
0521A	Excess APTC Repayment
0521A>	AVS APTC Repayment Computer

3.22.3.176.2
(11-03-2022)

**Allowable Taxpayer
Notice Codes EC 231**

- (1) The following Taxpayer Notice Codes are used for EC 231.

TPNC	Literal
	Any previously assigned TPNC
100	
113	Welfare payments, Workmen's Compensation, etc., aren't taxable.
114	You didn't include all the income shown on your Form(s) W-2, Form W-2G, etc., in the income section.
115	We adjusted total income to include tips from Form 4137.
116	Computed or transferred total taxable interest amount incorrectly.
117	Disallowed excludable savings bond interest because FSC 3.
119	Computed or transferred total taxable dividend income incorrectly.
121	Computed or transferred Schedule C incorrectly.
122	Computed or transferred Schedule D incorrectly.
123	Transferred capital gain or loss from Form 4797 incorrectly.

TPNC	Literal
125	We didn't allow the amount claimed as a repayment of unemployment compensation for a prior year on your tax return. This amount is subject to a 2 percent limitation. This amount should be claimed as other expenses on Schedule A, Itemized Deductions. We have adjusted your return accordingly.
126	Computed or transferred Schedule E incorrectly.
127	Computed or transferred Schedule F incorrectly.
129	You can't claim negative unemployment compensation.
131	Computed taxable Social Security Benefits incorrectly.
132	You must deduct any repayment over the amount of Social Security Benefits received in the tax year on Schedule A.
134	Disallowed child's income from Form 8814 because income greater than the maximum allowed for the tax year.
136	We changed the amount of other gains or losses on your tax return to include your overall business loss from your Form 4684, Casualties and Thefts. If you are not required to file Form 4797, Sales of Business Property, casualty or theft losses of business property must be included with income reported on your tax return.
138	Adjusted total income to include employer-provided benefits in excess of child care expenses.
141	Computed total income on your tax return incorrectly.
142	We changed the amount claimed as Educator Expenses.
147	We changed the amount claimed as IRA deduction that was more than the maximum amount.
148	We didn't allow the amount claimed as IRA deduction because your modified AGI is more than the maximum allowable.
149	We didn't allow the amount claimed as IRA deduction because you participate in a plan.
151	We didn't allow the amount claimed as student loan interest because your filing status is married filing separately or your AGI is more than the maximum allowable.
152	We changed the amount of student loan interest deduction due to a computation error.
157	We changed the amount claimed as Archer MSA deduction because you claimed more than the maximum allowable.
158	We changed the deductible part of self-employment tax on your tax return.

TPNC	Literal
159	We didn't allow the amount claimed as a deductible part of self-employment from Schedule SE because you should have used Form 4137.
160	No self-employment tax was reported on Schedule SE.
161	We didn't allow the amount claimed as a deduction for self-employed SEP, SIMPLE, and qualified plans because your employer adjusted box 1 on your Form W-2.
164	We didn't allow the amount claimed as alimony paid because the spouse was claimed as an exemption on the tax return.
165	Disallowed combat pay excluded from income not identified as combat pay on your Form W-2.
166	We didn't allow employer business expenses.
167	We didn't allow qualified performing artist (QPA) expenses.
169	We didn't allow the adjustment amount claimed as jury duty paid.
170	We changed the amount claimed as ordinary dividends on your tax return. The amount of qualified dividends cannot exceed the amount of ordinary dividends
171	We didn't allow the amount claimed as Health Savings Account deduction because Form 8889 incomplete or missing.
172	We didn't allow the amount claimed as Archer MSA deduction because Form 8853 incomplete or missing.
174	Total adjustments figured incorrectly.
175	AGI figured incorrectly.
216	Computed or transferred Form 8814 incorrectly.
218	We computed your tax for you.
273	We reduced or removed the total self-employment tax on page 2 of your tax return. Your net earnings were less than \$400; therefore, they are not subject to self-employment tax.
501	We changed the amount reported as adjusted gross income on your tax return because you either didn't complete Schedule 1, Additional Income and Adjustments to Income, or didn't attach it to your tax return.
550	We didn't allow the loss you claimed because Form 6198, At-Risk Limitations, wasn't attached to your tax return.
551	We didn't allow moving expenses because Form 3903 was incomplete or missing.

TPNC	Literal
553	We didn't allow the amount claimed as unreimbursed employee expenses because Form 2106, Employee Business Expenses, was incomplete or missing.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
588	The first \$2,400 of unemployment compensation paid to a person is not taxable. We reduced the unemployment compensation you, or if you filed a joint return, your spouse reported on your tax return accordingly. (TY 2009 only)
759	We adjusted your tax return because you reported income or withholding from different tax years on your return. We processed your tax return with only the income earned and the tax withheld in the year of the tax return.

TPNC	Literal (International 1040 with Form 2555 and Form 1040-NR)
300	Form 2555/Form 2555-EZ was incomplete or not attached.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income that is excluded on Form 2555/Form 2555-EZ.
314	We have disallowed your foreign earned income exclusion, housing exclusion, and/or housing deduction claimed on your tax return. Travel to Cuba is restricted.
325	You did not combine the income from your 'Dual-Status Statement' to your dual-status return correctly. We have adjusted your return accordingly.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.
384	You may not exclude unearned income on Form 2555/Form 2555-EZ. You may be able to reduce your tax by filing an Amended Tax Return with Form 1116.
385	We changed the total income on your tax return to include the taxable amount of your foreign earned income.
386	We did not allow your Form 2555/Form 2555-EZ, Foreign Earned Income because you filed a Form 1040-NR tax return.
400	You can't take an adjustment for Tuition and Fees on Form 1040-NR.

TPNC	Literal (International 1040 with Form 2555 and Form 1040-NR)
403	U.S. bank interest income is not taxable. We have adjusted your return accordingly.
404	We refigured your income to include capital gains from Form 8288-A.
406	Disallowed treaty exemption claim because you didn't reply with more information.
409	Disallowed invalid treaty exemption claim.
413	State income tax payments must be claimed as an itemized deduction on Schedule A, Itemized Deductions. These payments can't be subtracted from income on the tax return. If you filed a Schedule A, we changed it to include the state income tax payments. If you didn't file a Schedule A, we allowed it as your total itemized deduction on Schedule A because it lowered your taxable income. (Form 1040-NR)
415	Disallowed scholarship or fellowship exclusion required supporting statement was not attached.
416	The amount of scholarship or fellowship exclusion can't exceed the amount of scholarship or fellowship received. We have adjusted your return accordingly.
429	You figured your tax incorrectly on Form 1040-NR, page 2, using the tax tables. We refigured your tax using the 30% (or lower treaty) rate from Schedule NEC of Form 1040-NR. We have changed your tax return accordingly.
447	Your tax rate for gambling winnings paid to nonresident aliens is 30 percent.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty.
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount.

3.22.3.177
(01-01-2015)
**Error Code 232 Medical
Deduction Form 1040
Schedule A**

- (1) EC 232 generates on Form 1040. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Error Code 232/532 — Medical Deduction*, for screen display, invalid conditions and correction procedures.

3.22.3.178
(01-01-2020)
**Error Code 236 - Total
Taxes Real Estate and/or
State and Local Tax**

- (1) EC 236 generates on Form 1040 and Form 1040-NR when Schedule A is present and taxpayer's amount for Total Itemized Deductions differs from the computers amount and the difference between Total Tax Deduction and Total

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- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 236*, for invalid conditions and correction procedures and allowable TPNs for Form 1040.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.178.1
(01-01-2026)

Fields Displayed - EC 236- Form 1040-NR

- (1) The following fields are displayed for EC 236.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
0701A	State and Local Income Tax
>>>>	Schedule A Tax Computer Amount
0701E>	State and Local Taxes Computer
04OTI	Other Income
03AGI	Adjusted Gross Income
>>>>>	Adjusted Gross Income Computer
0707	Other Non Limited Miscellaneous Deduction
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer
	Taxable Income
	Taxable Income Computer
03TAX	Total Tax IMF
	Total Itemized Deduction Verified

3.22.3.178.2
(01-01-2026)

**Correction Procedures
EC 236 - Form 1040-NR**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If the amount in field 0701A matches the amount in it's underprint field >>>>> then follow instructions in EC 246.
- (3) A Foreign Tax Deduction that is NOT claimed on a Form 1116 may be claimed as an "Other Itemized Deductions" on line 7 of Schedule A. See paragraph 5 in EC 246 at IRM 3.22.3.183.2.
- (4) TY 2018 and later, the deduction for state and local income taxes is limited to \$10,000 for FS 1 and FS 5, and \$5,000 for FS 3. If Field 0701A exceeds the amount for the filing status on the return, the underprint for this field will equal the maximum amount. Assign TPN 414.

Note: If the taxpayer is a resident of India who is a student or apprentice and claims the standard deduction, computer limits the state and local income taxes and there are no other itemized deduction, GTSEC 07 and delete the standard deduction amount from Field 0701A and enter the standard deduction amount in Field 0707 and Field 0708.

3.22.3.178.3
(01-01-2023)

**Form 1040 - Foreign Tax
Deduction on Schedule
A**

- (1) A Foreign Tax Deduction that is NOT claimed on a Form 1116 is allowed as a deduction on line 6 of Schedule A, Form 1040.
- (2) A taxpayer can choose each year to take the amount of any qualified foreign income tax paid or accrued during the tax year as a foreign tax credit, (Form 1116) "OR" as an itemized deduction (Schedule A).

If	And	Then
The taxpayer is claiming foreign income taxes on line 6 of Schedule A,	The taxpayer did NOT claim foreign tax credit on Form 1116	Allow the deduction on line 6 of Schedule A. Note: Taxpayers are NOT required to attach any documentation if they are claiming foreign income taxes paid on a Schedule A.
The taxpayer is claiming foreign income taxes on line 6 of Schedule A,	The taxpayer claims a foreign tax credit on Form 1116,	Disallow the deduction on Schedule A and issue a TPNC 360

Note: Foreign taxes paid may be claimed as an Itemized Deduction on Schedule A of dual-status returns subject to limitations above.

3.22.3.178.4
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 236**

- (1) The following TPNCs are used for EC 236.

TPNC	Literal
	Any previously assigned TPNC.
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
360	We did not allow your deduction for foreign taxes paid on Form 1040, Schedule A because you already claimed those taxes as a foreign tax credit on Form 1116.

TPNC	Literal
408	We changed the amount claimed as deductions on your tax return. As a resident of India who was a student or business apprentice you may use either the standard deduction or itemized deductions; however, you cannot use both. We used the amount that resulted in a lower taxable income. (Form 1040-NR)
414	(TY 2018 and later) - We changed the amount claimed as itemized deductions on your tax return because your deduction for state and local taxes is more than the amount allowed for your filing status. (Form 1040-NR/)
418	You aren't entitled to the standard deduction when you file Form 1040-NR/NR-EZ. We changed your return accordingly. (Form 1040-NR/)

3.22.3.179
(01-04-2016)

**Error Code 238 -
Taxpayer's Total Interest
Deduction Form 1040
Schedule A**

- (1) EC 238 generates on Form 1040 when Total Interest Deduction is not equal to Total Interest Deduction Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 238*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.180
(01-01-2015)

**Error Code 240/540 -
Total Contributions**

- (1) EC 240 generates on Form 1040 and Form 1040-NR when total Itemized Deduction is not equal to Total Itemized Deduction Computer and Schedule A Total Contributions is not equal to Schedule A Total Contributions Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 240* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.180.1
(01-01-2023)

**Fields Displayed - EC
240**

- (1) The following fields are displayed for EC 240.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01ACD	Audit Code
S14DP	Section 14 Data Present
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
0702	Cash Contributions
0703	Other Contributions

1040-NR	Field Title
0704	Carryover Contributions
0705	Total Contributions
>>>>	Total Contributions Computer

Note: The fields displayed for EC 540 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 240.

3.22.3.180.2
(05-05-2016)

**Correction Procedures -
EC 540 Form 1040-NR**

- (1) If Other Contributions in Field 0703, from line 3 of Schedule A, Form 1040-NR, is greater than \$500 and Form 8283 is:
 - a. present and complete, enter RPC "H"
 - b. not present or incomplete, correspond for Form 8283
- (2) Refer to all instructions for Error Code 240 in IRM 3.12.3
- (3) Enter "C" in the Clear Field when there are no corrections to be made.

3.22.3.180.3
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 240**

- (1) The following Taxpayer Notice Codes are used for EC 240.

TPNC	Literal
	Any previously assigned TPNC.
100	
180	Changed charity deduction on your Schedule A, Itemized Deductions, because it was figured incorrectly or not limited based on your adjusted gross income.
181	We changed the amount claimed as a deduction for charitable contributions on your Schedule A because one or more of the following was incomplete or not attached to the return: - Form 8283, Noncash Charitable Contribution. - The required documentation to support your donation of a motor vehicle, airplane or boat. - An appraisal for your donation of art.
218	We computed your tax for you.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs.

3.22.3.181
(01-01-2019)

**Error Code 242/542 -
Casualty or Theft Loss
(Form 4684)**

- (1) EC 242 generates on Form 1040 and Form 1040-NR when a math error is present in either Total Itemized Deduction or Casualties and Thefts.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 242*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.
- (3) **Form 1040-NR** - Casualty or Theft Loss is reported on line 6 of Schedule A on Form 1040-NR. Field 0706 is the same as Field 0715 on Schedule A of Form 1040. Follow the instructions in IRM 3.12.3 *EC 242*, except for the instructions in paragraph 4(C) for the transfer of Carryover Casualty and Theft Loss.

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The EC 242 instructions for TY 2016 and TY 2017 Qualified Disaster Losses also apply to Form 1040-NR. Field 0708 on Form 1040-NR Schedule A is the same as Field 0717 on Form 1040 Schedule A.

3.22.3.181.1
(01-01-2023)

**Fields Displayed - EC
242**

- (1) The following fields are displayed for EC 242.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01FPC	Form Processing Code
0404	Other Gains and Losses
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
0705	Total Contributions
0706	Total Casualty and Theft
>>>>	Total Casualty and Theft Loss Computer
26DDN	FEMA Disaster Declaration Number
26ZIP	Most Affected Property Zip Code
2613	Total Personal Use Property Gains Amount
2614	Total Personal Use Property Losses Amount
2616	Gross Casualties and Theft
26CTP>	Casualty and Thefts Loss Percentage Computer Amount
S26NP	Section 26 Not Present
0707	Other Non-Limited Miscellaneous Deductions

Note: The fields displayed for EC 542 will include a Clear Code field and all other fields will be the same as EC 242.

3.22.3.181.2
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 242**

- (1) The following Taxpayer Notice Codes are used for EC 242.

TPNC	Literal
	Any previously assigned TPNC.
100	
111	Your return has been converted to Form 1040.
176	Transferred AGI from page 1 to page 2 incorrectly.
182	Computed or transferred Form 4684 incorrectly.
218	We computed your tax for you.
552	No reply Form 4684.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs.

3.22.3.182
(11-27-2020)

**Error Code 244/544 -
Reserved**

- (1) This error code is reserved.

3.22.3.183
(11-27-2020)

**Error Code 246/546 -
Total Itemized
Deductions**

- (1) EC 246 generates on Form 1040 and Form 1040-NR when Total Itemized Deductions is not equal to Total Itemized Deduction Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 246*, for invalid conditions. Refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs. Comparable fields are as follows:

Form 1040, Schedule A	Form 1040-NR, Schedule A
0716	0707
0717	0708

On MeF Form 1040-NR, for TY19 and prior, Schedule A may be displayed as page 3 of the Form 1040-NR and isn't listed as a separate schedule in the MeF Return Request and Display. Scroll through the pages of the Form 1040-NR to find Schedule A.

3.22.3.183.1
(03-08-2024)

**Fields Displayed - EC
246**

- (1) The following fields are displayed for EC 246.

1040-NR	Field Title
01FSC	Filing Status Code

1040-NR	Field Title
01TXP	Tax Period
01FPC	Form Processing Code
01RPC	Return Processing Code
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
S07NP	Section 07 Not Present
0701A	State and Local Income Tax
>>>>	Schedule A Tax Computer Amount
0701E>	State and Local Income Tax Computer
0705	Total Contributions
>>>>	Total Contributions Computer
0706	Total Casualty/Theft Loss
>>>>	Total Casualty/Theft Loss Computer
0707	Other Non-Limited Miscellaneous Deductions
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer
07LIM>	Schedule A Total Itemized Percentage Computer
0708V	Total Itemized Deduction Verified

Note: The fields displayed for EC 546 will include a Clear Code field and 02NC> and all other fields will be the same as EC 246.

3.22.3.183.2
(01-01-2026)

**Correction Procedures -
EC 246 - Form 1040-NR**

- (1) If the taxpayer is a resident of India and claims the standard deduction and also lists itemized deductions, follow instructions at IRM 3.22.3.190.2.2.1.

Note: For TY 2016 and later, the qualified resident of India may claim the standard deduction and net disaster loss.

- (2) Dual Status - Enter amount(s) in Field 0707 when processing a dual-status return and Itemized Deductions are claimed on Schedule A Form 1040 that do not have a corresponding line on Schedule A Form 1040-NR.
- (3) **Net Disaster Loss TY 2016 and Later** - If the taxpayer on Form 1040-NR is claiming a qualified disaster loss on line 7 of Schedule A, then follow these procedures.
- If Form 4684 is not attached to support a personal disaster loss deduction, SSPND 215 and correspond for Form 4684.
 - If Form 4684 is present, accept the entry and enter in Field 0707.

- (4) **Foreign Tax Deduction** - A taxpayer can choose each year to take the amount of any qualified foreign income tax paid or accrued during the tax year as a foreign tax credit, (Form 1116) "OR" as an Other Itemized Deduction (Schedule A, line 7).

If	And	Then
The taxpayer is claiming foreign income taxes on Schedule A,	The taxpayer did NOT claim foreign tax credit on Form 1116	Allow the deduction on line 7 of Schedule A. Note: Taxpayers are NOT required to attach any documentation if they are claiming foreign income taxes paid on a Schedule A.
The taxpayer is claiming foreign income taxes on Schedule A,	The taxpayer claims a foreign tax credit on Form 1116,	Disallow the deduction on Schedule A and issue a TPNC 360.

Note: Foreign taxes paid may be claimed as an Itemized Deduction on Schedule A on dual-status Returns subject to limitations above.

- (5) If line 7 has an entry for miscellaneous deductions that are not deductible in TY18 and later follow instruction in IRM 3.12.3.23.7.5(6)D]
- (6) TY17 and prior, **Form 1040** - When **Form 2555** is attached, the taxpayer may

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3.12.3, EC 246

- (7) TY17 and prior, **Form 1040-NR** - In addition to the special instructions below, follow the instructions in IRM 3.12.3, EC 246, for Miscellaneous Deductions. The table below displays the fields and the corresponding line numbers for TY17 and prior Schedule A.

Form 1040-NR, Schedule A	Form 1040, Schedule A
Line 7	Line 21
Line 10	Line 24
Line 13	Line 27
Line 14	Line 28

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2106 or Form 2106EZ or similar statement is attached, SSPND 215 and correspond for the form using Form 13900.

- b. If an amount is identified as “exempt under a tax treaty” on line 13, enter the allowable exempt income on line 22 of Form 1040-NR. On EC 246, assign TPNC 316
- c. Don’t assign unallowable codes on Form 1040-NR.

3.22.3.183.3
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 246**

- (1) The following TPNCs are used for EC 246.

TPNC	Literal
	Any previously assigned TPNC.
100	
111	Your return has been converted to Form 1040.
178	Computed Taxes paid on Schedule A incorrectly.
180	We changed the amount claimed as total gifts to charity on your Schedule A, Itemized Deductions, because it was figured incorrectly or the amount was not limited based on your adjusted gross income.
182	We changed the amount claimed as casualty and theft losses on your Schedule A, Itemized Deductions because there was an error on your Form 4684, Casualties and Thefts. The error was in one of the following: The amount was computed incorrectly. Some or all of your deductions are subject to the 2% limitation.
183	Computed total Miscellaneous deduction incorrectly.
184	We can’t allow gambling losses claimed on Schedule A greater than gambling winnings reported as income on Form 1040.
185	“Other Miscellaneous Deductions” are subject to the 2 percent limitation.
186	You didn’t limit your Itemized Deductions correctly. You are required to limit your Itemized Deductions because of your AGI.
187	Computed or transferred Itemized Deductions incorrectly.
218	We computed your tax for you.
552	No reply Form 4684.
553	No reply, Form 2106.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR because certain items reported on your tax return require you to file a Form 1040-NR. You do not need to send us another return to correct this error. The following paragraph(s) will explain any additional change(s) we made. (Form 1040-NR)
316	Income exempt under a tax treaty cannot be claimed as a miscellaneous itemized deduction on Schedule A. We adjusted your return accordingly.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty with your country of residence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.184
(11-27-2020)
**Error Code 248 -
Qualified Business
Income Deduction
Qualification**

- (1) EC 248 generates on Form 1040-NR and Form 1040 when the Qualified Business Income Deduction (QBID) amount is significant and:
 - a. Taxable Dividends amounts is not significant and
 - b. Schedule C Profit Loss is not significant and
 - c. Section 09/10/11 is not present and
 - d. Supplemental Gain Loss is not significant and
 - e. Section 27 is not present and
 - f. Schedule E Profit Loss is not significant and
 - g. Section 13 is not present and
 - h. Schedule F Profit Loss is not significant and
 - i. Section 14/15 is not present and
 - j. Section 55 is not present and
 - k. Form 8995 Domestic Production Activities Deduction is not significant
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 248*, for invalid conditions and correction procedures.

3.22.3.184.1
(01-01-2023)
**Fields Displayed - EC
248**

- (1) The following fields are displayed for EC 248.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01ACD	Audit Code
03DIV	Taxable Dividends
0403	Schedule C Profit Loss

1040-NR	Field Title
0404	Supplemental Gains Losses
0405	Schedule E Profit Loss
0406	Schedule F Profit Loss
55BIC	Qualified Business Income Component
55REI	REIT and PTP Component
55NCG	F8995 Net Capital Gains
55DPA	F8995 Domestic Production Activities Deduction
03QBI	Qualified Business Income Deduction Amount
>>>>>	F8995 Qualified Business Income Deduction Computer
94QBV	Qualified Business Income Deduction Verified
S09NP	Section 09 Not Present
S10NP	Section 10 Not Present
S11NP	Section 11 Not Present
S13NP	Section 13 Not Present
S14NP	Section 14 Not Present
S15NP	Section 15 Not Present
S27NP	Section 27 Not Present
S55NP	Section 55 Not Present

3.22.3.185
(11-27-2020)
**Error Code 249/549 -
Qualified Business
Income Deduction
Limitation**

- (1) EC 249 generates on Form 1040-NR and Form 1040 when the Qualified Business Income Deduction is not equal to F8995 Qualified Business Income Deduction Computer
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 249*, for invalid conditions and correction procedures.

3.22.3.185.1
(01-01-2026)
**Fields Displayed - Error
Code 249/549**

- (1) The following fields are displayed for EC 249.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01SPC	Special Processing Code
03DSI	Dependent Status Indicator
01RPC	Return Processing Code

1040-NR	Field Title
01ACD	Audit Code
03QD	Qualified Dividends
03CGL	Schedule D Profit Loss
>>>>>	Schedule D Profit Loss Computer
03AGI	Adjusted Gross Income
>>>>>	Adjusted Gross Income Computer
0708	Total Itemized Deduction
>>>>	Total Itemized Deduction Computer
03TTI>	Tax Table Income Computer
03QBI	Qualified Business Income Deduction
>>>>>	F8995 Qualified Business Income Deduction Computer
94QBV	Qualified Business Income Deduction Verified
03INC	Taxable Income
>>>>>	Taxable Income Computer
S12NP	Section 12 Not Present
1207	Net Short Term Gain or Loss Amount
1215	Net Long Term Gain or Loss Amount
S55NP	Section 55 Not Present
55BIC	Qualified Business Income Component
55REI	REIT and PTP Component
55NCG	F8995 Net Capital Gains
55DPA	F8995 Domestic Production Activities Deduction

3.22.3.185.2
(04-28-2022)

**EC 249 - IRC 933 or
Income Excluded from
Puerto Rico**

- (1) TY19 and later, if there is an amount on Form 1040, line 13 (TY19, line 10) and Form 8995 or Form 8995-A is not attached, SSPND 215 and correspond for the form.
- (2) When it appears taxpayer is excluding income from Puerto Rico claiming IRC 933 exclusion, enter the amount from Field 03QBI in Field 94QBV. If EC 256 generates, follow the procedures in IRM 3.22.3.190.2.1.3

3.22.3.185.3
(11-08-2021)

**EC 249 - Form 1040-NR
Residents of India**

- (1) When Error Code 249 displays on Form 1040-NR check for country of residence. If the taxpayer is a resident of India check to see if they are taking the standard deduction. If the taxpayer is using the standard deduction follow instructions at 3.22.3.193.2.2.1 before following EC 249 instructions.

- 3.22.3.186
(11-13-2025)
Error Code 251/551 - Total Qualified Tips Income Deduction
- (1) EC 251 generates when Total Qualified Tips Income Deduction Amount is not equal to Total Qualified Tips Income Deduction Amount Computer.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 251*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.
- 3.22.3.187
(11-13-2025)
Error Code 252/552 - Qualified Overtime Compensation Deduction
- (1) EC 252 generates when Qualified Overtime Compensation Deduction Amount is not equal to Qualified Overtime Compensation Deduction Amount Computer.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 252*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.
- 3.22.3.188
(11-13-2025)
Error Code 253/553 - Car Loan Interest Deduction
- (1) EC 253 generates when Car Loan Interest Deduction Amount is not equal to Car Loan Interest Deduction Amount Computer.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 253*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.
- 3.22.3.189
(11-13-2025)
Error Code 254/554 - Deduction for Seniors
- (1) EC 254 generates when Deduction for Seniors Amount is not equal to Deduction for Seniors Amount Computer.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 254*, for invalid conditions, and IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.
- 3.22.3.190
(01-01-2026)
Error Code 256/556 - Taxable Income
- (1) EC 256 generates when Taxable Income is not equal to Taxable Income Computer.
 - (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for invalid conditions, and to IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNs.
- 3.22.3.190.1
(01-01-2026)
Fields Displayed - Error Code 256/556

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01CCC	Computer Condition Code
01FPC	Form Processing Code
01EXC	Exemption Code Field
94EXV	Exemption Code Verified
01RPC	Return Processing Code

1040-NR	Field Title
03DSI	Dependent Status Indicator
8808	Form 4563 Indicator
	Primary NAP Date of Birth
03TWG	Total Wages Amount
03INT	Taxable Interest Income
04OTI	Other Income Amount
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
S07NP	Section 07 Not Present
	State and Local Income Taxes
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer
	Total Itemized Deduction Verified
01PYB>	Primary NAP Date of Birth
01SYB>	Secondary NAP Date of Birth
03TTI>	Tax Table Income Computer
03QBI	Qualified Business Income Deduction Amount
>>>>>	F8995 Qualified Business Income Deduction Computer
03INC	Taxable Income
>>>>	Taxable Income Computer
94INV	Taxable Income Verified Amount

3.22.3.190.2
(01-01-2026)

**Correction Procedures -
EC 256**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Correction procedures are divided into sections by type of tax return: Form 1040, Form 1040-NR, and dual-status.
- (3) EC 256 generates for taxable income errors on all tax years.

3.22.3.190.2.1
(01-01-2026)

**Correction Procedures
EC 256 - Form 1040**

- (1) This subsection includes correction procedures for:
 - a. TY 2016 and Later Qualified Disaster Losses and Standard Deduction
 - b. IRC 931 or Form 4563
 - c. IRC 933 or Income Excluded from Puerto Rico
 - d. Form 2555 Exclusion
 - e. Tax Treaty Claimed
 - f. TY 2017 and prior, FS 4 and Exemption for Spouse

3.22.3.190.2.1.1
(01-01-2026)
Qualified Disaster Losses and Standard Deduction

(1) For TY 2016 and later, eligible taxpayers can increase their standard deduction by the amount of the disaster loss claimed on Form 4684, *Casualties and Thefts*. Follow the instructions in IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 256*. Use AC 215 to correspond if required by the instructions. If corresponding for missing Form 4684 and Schedule A, select fill-in "C" from Exhibit 3.22.3-12.

3.22.3.190.2.1.2
(01-01-2026)
EC 256 - IRC 931 or Form 4563

(1) If **Form 4563**, *Exclusion of Income for Bona Fide Residents of American Samoa*, is attached or IRC 931 is cited, and the taxpayer has used the

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3.22.3.190.2.1.3
(01-01-2026)
EC 256 - IRC 933 or Income Excluded from Puerto Rico

(1) When the taxpayer resides in or is excluding income from **Puerto Rico**, or appears to be claiming IRC 933 exclusion, and is prorating the itemized or

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Exception: Income received for services performed as an employee of the United States government or any of its agencies cannot be excluded from the IRS tax return. If United States government wages are reported on both the IRS and Puerto Rican tax returns, Form 1116 should be attached to the IRS tax return to claim a credit for income taxes paid to Puerto Rico.

Note: U.S. government cost of living allowances are excludable from U.S. income tax.

3.22.3.190.2.1.4
(01-01-2026)
EC 256- Form 2555

(1) If Form 2555 is attached, correct transcription errors in Fields 3445/3545 and 3450/3550.

3.22.3.190.2.1.5
(01-01-2026)
EC 256 - Tax Treaty Claimed (Form 1040)

(1) Tax treaties between the United States and other countries may be used to exclude income on **Form 1040**. If wages are exempt by tax treaty, an employer may report the taxable portion on Form W-2 and the tax exempt portion on Form 1042-S. When using the instructions below, if a Form W-2 and a Form 1042-S from the same employer are attached to the return, add the income from both forms together and then subtract the treaty exemption amount to determine if the taxpayer claimed more than the maximum amount allowed by treaty. The amount remaining after the maximum amount is subtracted is taxable and must be reported on line 1.

If	Then
The tax treaty claim is valid,	<ol style="list-style-type: none"> 1. Ensure the income is reported in Field 03WG. 2. Enter the exempt income in Field 04OTI as a negative amount.
Tax treaty claim is invalid,	<ol style="list-style-type: none"> 1. Ensure the income is reported in Field 03WG. 2. Adjust Field 04OTI to delete the invalid tax treaty 3. Assign TPNC 409.
If Article 19 for China is claimed, and it can be determined from the taxpayer's entries on the return or attachments that the taxpayer has claimed the tax treaty for more than 3 years ,	<ol style="list-style-type: none"> 1. Ensure the income is reported. 2. Adjust Field 04OTI to delete the invalid tax treaty income. 3. Assign TPNC 337
If Article 20c is claimed for an amount greater than \$5,000,	<ol style="list-style-type: none"> 1. Ensure all of the income is reported in Field 03WG. 2. Adjust Field 04OTI to allow whichever is less: the maximum \$5,000 or the maximum income up to the \$5,000 limit. 3. Assign TPNC 494 if needed.
The taxpayer claimed a tax treaty amount for more than they earned ,	<ol style="list-style-type: none"> 1. Ensure the income is reported. 2. Adjust Field 04OTI to allow whichever is less: the maximum treaty exclusion or maximum earned income.
The taxpayer claimed a tax treaty amount for other income (not earned for the purpose of Article 19, 20a or 20c),	<ol style="list-style-type: none"> 1. Ensure the income is reported. 2. Adjust Field 04OTI. 3. Assign TPNC 337

3.22.3.190.2.1.6
(01-01-2026)

**EC 256 - TY 2017 and
prior, FS 4 and
Exemption for Spouse**

- (1) If the taxpayer is a United States citizen married to a nonresident alien, they may use FS "4" (Head of Household) if they maintain a household for a qualifying child or relative and still claim an exemption for their spouse.
 - a. If the spouse is claimed and a qualifying child or other relative is claimed, allow the spouse as an "other dependent" (position 7 of Field 01EXC).
 - b. If the spouse is claimed and no other qualifying child or relative is claimed, change the filing status in Field 01FSC to "3" and use Field 94EXV to allow only the primary taxpayer's exemption. If EC 256 regenerates assign TPNC 109.

3.22.3.190.2.2
(01-01-2026)

**Correction Procedures
EC 256 - Form 1040-NR**

- (1) This subsection includes correction procedures for:

- a. Standard Deduction for Residents of India

Note: On MeF returns, If country on Line B, Schedule OI of Form 1040-NR is "US" and the country on Line A, Schedule OI of Form 1040-NR, is "IN", consider them as residents of India and follow the instructions at IRM 3.22.3.190.2.2.1.

- b. Standard Deduction and Itemized Deductions (Other Than Residents of India)
c. TY 2017 and prior, Exemptions
d. Taxable Income Computation Error

3.22.3.190.2.2.1
(01-01-2026)

**EC 256 - Standard
Deduction for Residents
of India (Form 1040-NR)**

- (1) Some residents of India who are student or apprentices may claim the standard deduction (plus additional standard deduction "ABI") for Filing Status "1" or "3". The standard deduction for TY 2025 is \$15,000 (TY 2024 is \$14,600; TY 2023 is \$13,850; TY 2022 is \$12,950; TY 2021 is \$12,550;). Accept the taxpayer's figure for standard deduction plus ABI (standard deduction plus ABI amounts are displayed in IRM 3.12.3, *Field 04ABI, Age/Blindness Indicator (EC 256)*).

Note: TY 2017 and prior, for Filing Status "1", "3" or "6" standard deduction and ABI amounts, refer to EC 256, IRM 3.12.3, and Prior Year Job Aid 2515-014.

- a. If a resident of India claims the standard deduction, GTSEC 07 and enter the standard deduction/additional standard deduction amount in Field 0707 and Field 0708. For TY21 and TY21 only If the taxpayer has claimed an amount for Non Itemized Charitable Contributions on line 12b, Form 1040-NR include this amount up to \$300 (TY20 filing status 1 and 5, \$300, FS 3, \$150) on Section 07 Fields 0702, 0705, and 0708. If the taxpayer claimed more than \$300 (TY20 filing status 1 and 5, \$300, FS 3, \$150) send TPNC 168.
b. If both the Standard Deduction and Itemized Deductions are claimed, follow the chart below:

Exception: If Itemized Deductions include losses from Form 4684, follow the procedures in paragraph (2).

If	Then
The standard deduction is the most beneficial to the taxpayer,	<ol style="list-style-type: none"> 1. GTSEC 07 and enter the standard deduction amount in Field 0707 and Field 0708. 2. Assign TPNC 408.

If	Then
Itemized deductions are most beneficial to the taxpayer,	<ol style="list-style-type: none"> 1. If Section 07 is present with entries, ensure that the standard deduction amount is deleted, OR <ul style="list-style-type: none"> • If Section 07 is not present, GTSEC 07 and enter the itemized deductions in appropriate fields. 2. Assign TPNC 408.

- (2) **Residents of India Disaster Tax Relief.** For TY 2016 and later, taxpayers eligible for the standard deduction on Form 1040-NR may increase the standard deduction amount by claiming a deduction for certain disaster losses on Form 4684, *Casualties and Thefts*. On Form 1040-NR, this increase applies only to the residents of India who are eligible to claim the standard deduction. For these taxpayers only follow these procedures.

- a. If the amount on line 12 (TY 21, line 12a; TY20, line 12; TY19, line 37) is equal to the standard deduction (plus additional standard deduction "ABI"), GTSEC 07 and enter this amount in Field 0707 and Field 0708.
- b. If Form 4684 is attached to the return, and the amount on line 12 (TY 21, line 12a; TY20, line 12; TY19, line 37) is equal to the amount on line 15 of Form 4684 plus the standard deduction/ABI, GTSEC 07 and enter this amount on line 12 (TY 21, line 12a; TY20, line 12; TY19, line 37) in Field 0707 and Field 0708.
- c. If Form 4684 is not attached, Schedule A is not attached (or blank), and the taxpayer's amount on line 12 (TY 21, line 12a; TY20, line 12; TY19, line 37), Form 1040-NR, is greater than the standard deduction/ABI, SSPND 215 and correspond using paragraph # on Form 13900 and fill-in "C" in Exhibit 3.22.3-12.

3.22.3.190.2.2.2
(01-01-2026)

EC 256 - Standard Deduction and Itemized Deductions (other than Residents of India)

- (1) Form 1040-NR filers are not entitled to the standard deduction. If the standard deduction is claimed, assign TPNC 418.
- (2) On Form 1040-NR, Non Itemized Charitable Contribution Deduction for TY21 only on line 12b (for TY20 only, line 10b) is only allowed to certain residents of India. This deduction is limited to \$300 (TY20 filing status 1 and 5, \$300, FS 3, \$150).
- (3) If the taxpayer made an error computing total itemized deductions, or incorrectly transferred the correct amount to line 12 (TY21, line 12a; TY20, line 12; TY19, line 37) of Form 1040-NR, assign TPNC 187.
- (4) TY18 and later, If the amount on line 12 (TY21, line 12a; TY20, line 12; TY19, line 37) is equal to the local and state tax withheld reported on supporting documentation (Form W-2, Form 1042-S, Form 1099 etc.), then GTSEC 07 and enter the amount in Field 0701A and 0708.

- (5) If Schedule A of Form 1040-NR is not attached (or blank), and the taxpayer has an amount on line 12 (TY21, line 12a; TY20, line 12; TY19, line 37) that isn't the standard deduction, SSPND 215 and correspond for Schedule A using Paragraph T of Form 13900.

Note: On MeF Form 1040-NR, TY19 and prior, Schedule A may be displayed as page 3 of the Form 1040-NR and isn't listed as a separate schedule in the MeF Return Request and Display. Scroll through the pages of the Form 1040-NR to find Schedule A.

3.22.3.190.2.2.3

(01-01-2026)

EC 256 - TY 2017 and prior, Exemptions

- (1) If an ITIN has expired, then assign the following TPNCs as applicable, in addition to any TPNCs that apply after following the procedures in the paragraphs below:
- If the Primary ITIN Status Code is "I" then assign TPNC 642.
 - If the Secondary ITIN Status Code is "I" then assign TPNC 643.
 - If a Dependent ITIN Status Code is "I" then assign TPNC 317.
- (2) If the primary's TIN is invalid, enter RPC O, adjust 94EXV if other dependents are claimed, and assign TPNC 205.
- (3) Exemptions are restricted by country of residence. Determine the country of residence using taxpayer information on Form 1040-NR as described at IRM 3.22.3.11.3.

Caution: If line 39 is \$300 or \$100 (Trust) or \$600 (Estate) or taxpayer quotes IRC 642(b)(2)(c) and enters \$4,150 on line 39, transship the return to KCSPC (SSPND AC 640), see **IRM 3.22.3.11**.

If the taxpayer	And	Then
Is a resident of South Korea,	Claims exemptions for self, spouse and children who live with them in the United States,	Allow exemptions.
Is a resident of South Korea,	Claims an exemption for other than self, spouse or child(ren) who did not live in the United States,	<ol style="list-style-type: none"> 1. Enter allowable exemption(s) in Field 94EXV. 2. Assign TPNC 402. Reminder: Ensure the correct number of exemptions claimed are in Field 01EXC.
Is a resident of South Korea,	Claims fractional exemption.	Verify their taxable income in Field 94INV.
Is a resident of Canada, Mexico or a United States National,		Allow exemptions for self, spouse, children and other dependents.
Is a resident of India,		Allow the exemptions for self, spouse, and dependents.
Is allowed exemptions based on country of residence as listed above,	The TIN is invalid or missing.	Assign TPNC 206 or 605 as appropriate.
All others, or if unable to determine the country of residence,		<ol style="list-style-type: none"> 1. GTSEC 01 and delete name controls and TINs for spouse and dependents. 2. Allow only one exemption for self in position 1 of Field 94EXV. 3. Assign TPNC 401. Note: See paragraph (5) below if taxpayer did not claim a personal exemption.

- (4) If the taxpayer incorrectly added the exemptions claimed (lines 7a - 7c) or made an error computing the exemption amount on line 40 based on the total exemptions claimed on line 7d, assign TPNC 457.

Note: Enter the correct number of exemptions in Field 94EXV.

Note: A U.S. National is an individual who owes his sole allegiance to the United States, including all U.S. citizens and some individuals who are not U.S. citizens. These individuals would include citizens of U.S. territories such as American Samoa and the Commonwealth of the Northern Mariana Islands.

- (5) Use the following table for procedures to determine whether or not to code the DSI field.

If	Then
a. The taxpayer did check the box on line 7a, AND b. Did not claim an exemption,	Assign TPNC 458.
a. The taxpayer did not check the box on line 7a, b. Did not make an entry or entered 0 (zero) or dash on the line to the far right of the box, AND c. Did not claim an exemption,	1. Enter 1 in Field 03DSI and transmit to follow taxpayer's intent.
a. The taxpayer did not check the box on line 7a, b. Did not make an entry or entered 0 (zero) or dash on the line to the far right of the box, AND c. Claimed an exemption,	1. Enter 1 in Field 03DSI and transmit. 2. Assign TPNC 202 if EC 256 redispays. Exception: When information on the return (e.g., occupation, income amount or signature) indicates that the taxpayer is entitled to the full standard deduction and exemption, delete the DSI code if present.

3.22.3.190.2.2.4
(01-01-2026)

**EC 256 - Taxable Income
Computation Error**

- (1) If there is an amount present on line 13b (TY19, line 39), Form 1040-NR and it is used in the computation of taxable income, see whether taxpayer meets any one of the conditions described in IRM 3.22.3.11 paragraph (5) and follow the instructions below.

If	Then
Taxpayer meets any one of the condition as mentioned above	SSPND 640 to transship return to Kansas City Submission Processing Center (KCSPC)
taxpayer does not meet any condition	TY18 and later, Assign TPNC 455.

If	Then
Taxpayer does not meet any condition	TY17 and prior, refer to EC 256, TY 2017 and prior, Exemptions at IRM 3.22.3.190.2.2.3

- (2) If the taxpayer did not compute taxable income and indicates a tax treaty income exemption on the return, follow the chart below.

If	Then
The taxpayer is claiming an exemption of income under a tax treaty or treaty article,	Verify the tax treaty claim using Exhibit 3.22.3-1 and Exhibit 3.22.3-2 (Personal Service Income) or Exhibit 3.22.3-3 (Other than Personal Service Income).
Tax treaty claim is valid ,	<ol style="list-style-type: none"> 1. GTSEC 03 and 04 as appropriate. 2. Delete the income where reported. 3. Enter the valid tax treaty amount in Field 03TEX.
Tax treaty claim is invalid ,	<ol style="list-style-type: none"> 1. GTSEC 03 and 04 as appropriate. 2. Make sure the income is reported 3. Delete the treaty amount claimed from Field 03TEX. 4. Assign TPNC 409. <p>Note: If the income was not reported and EC 218 generates assign TPNC 409.</p>
The taxpayer is excluding income and If question "L" is not answered on Schedule OI and Code & Edit has not previously corresponded for the missing information,	SSPND 215 to correspond selecting paragraph J on Form 13900.
The Tax Treaty claimed is not listed in Exhibit 3.22.3-1 or Exhibit 3.22.3-2 and the income is to be taxed as effectively-connected income,	<ol style="list-style-type: none"> 1. GTSEC 03 and 04 as appropriate 2. Make sure the income is reported. 3. Delete the treaty amount claimed from Field 03TEX. 4. Assign TPNC 409. <p>Note: If the income was not reported and EC 218 generates assign TPNC 409.</p>
The Tax Treaty claimed is not listed in Exhibit 3.22.3-1 or Exhibit 3.22.3-2 and the income is to be taxed as not effectively connected income,	<ol style="list-style-type: none"> 1. GTSEC 03 and delete the treaty amount from Field 03TEX. 2. Use Exhibit 3.22.3-3 to determine the correct tax rate. 3. GTSEC 46 and enter the income in the applicable field based on the rate. 4. When EC 311 generates, assign TPNC 429.

- (3) TY18 and later, if the taxpayer made an error subtracting itemized deductions line 12 (TY21, line 12a; TY20, line 12; TY19, line 37), or qualified business income deduction line 13a (TY19, line 38), from AGI line 11 (TY19, line 35), assign TPNC 410.

- (4) TY17 and prior, if the taxpayer made an error in subtracting itemized deduction from adjusted gross income (line 39), assign TPNC 411.
- (5) TY17 and prior, if the taxpayer incorrectly subtracted their exemption amount assign TPNC 449.

3.22.3.190.2.3
(01-01-2026)
Correction Procedures
EC 256 - Dual Status

- (1) **Restrictions for Dual-Status Taxpayers** - The following restrictions apply if the taxpayer is filing a tax return for a dual-status tax year.
 - a. **Standard Deduction**- the taxpayer cannot use the standard deduction. If a dual-status taxpayer claims the standard deduction, assign TPNC 324.

Note: When a Form 1040 is the controlling return, the computer may erroneously allow a standard deduction amount. If that occurs, enter "1" in Field 07IEI.

Exception: Some taxpayers from India are eligible to claim the standard deduction under Article 21(2) of the United States-India Treaty.
 - b. **Exemptions** - On returns prior to TY 2018, the taxpayer's total deduction for personal exemptions for their spouse and allowable dependents **cannot** be more than their taxable income (figured without deducting personal exemptions) for the period they are a resident alien.
 - c. **Head of Household** - Dual-status taxpayers cannot use the head of household Tax Table column or Tax Rate Schedule.
 - d. **Joint Return** - Dual-status taxpayers cannot file a joint tax return (married filing jointly).
- (2) **Renumbering of Tax Returns** - See "Dual-Status - General Information" at IRM 3.22.3.6 for information on determining the "Controlling Return". Follow If and Then chart below:

If	Then
The “controlling return” (the return to be processed) is a Form 1040, but the Form 1040-NR “statement” was originally numbered as the controlling return,	SSPND 610.
The “controlling return” is Form 1040-NR, but the Form 1040 “statement” was originally numbered as the controlling return,	SSPND 610.
The taxpayer indicates dual-status but did “NOT” include both a “controlling return” and a “statement” and Code & Edit did NOT correspond for it,	SSPND 215 and select paragraph V of Form 13900. Exception: If the taxpayer is electing to be treated as a U.S. resident as indicated in below, do NOT correspond. Process as Form 1040.

- (3) Combine all related income amounts from the statement with the income amounts in Section 03 and Section 04 of the controlling return. If the taxpayer failed to combine the income from the return and statement, assign TPNC 325.

Note: If the controlling return and the statement return have identical entries **do not** combine tax returns.

- (4) Combine all Itemized Deductions from the statement with the amounts in Section 07 of the controlling return.

Note: If there is not a coinciding field (line) when combining Schedule A, Form 1040 and Form 1040-NR, enter the amount(s) in Field 0707.

3.22.3.190.2.3.1
(01-01-2026)

**EC 256 - Filing Status
for Dual-Status**

- (1) **Filing Status (FS)** - Filing status can be 1, 3, or 5 on a TY 2018 and later dual-status return. On TY 2017 and prior, if an exemption for the spouse is claimed, filing status 6 is allowed in addition to filing status 1, 3 or 5. See Filing Status instructions at IRM 3.22.3.15.12.

Exception: A nonresident may elect under IRC 6013(g) and Treas. Reg. 1.6013-g(a)(4) to be treated as a U.S. resident for the entire year and use Married Filing Jointly (FSC “2”) tax rates to report worldwide income. To make this election the taxpayers must attach a statement to the joint return declaring that they qualify under IRC 6013(g) to file as U.S. residents for the entire tax year. They must also include the name, address and taxpayer identification numbers of each spouse. These taxpayers are not generally allowed to claim tax treaty benefits.

- (2) If the taxpayer is making an election under IRC 6013(g) to be treated as a U.S. resident as indicated in the Exception above, then do not process as “Dual-Status”. Follow the instructions below:

If	Then
The taxpayer meets the criteria above,	Ensure all income from both spouses is reported on the Form 1040 and process as a Form 1040 that is not dual-status.
The taxpayer selects “married filing jointly” and uses the benefits of FS 2, and any required information is missing such as the spouse’s name, SSN, signature or signed statement,	SSPND 215 to correspond for the missing information.
The taxpayers don’t meet the criteria under IRC 6013(g) and Treas. Reg. 1.6013-6(a)(4), and only one spouse is reporting income,	<ol style="list-style-type: none"> 1. Delete the name of the spouse that is not reporting income from Field 01NL1. Caution: Make sure the TIN in Field 01PS is for the name that is remaining in Field 01NL1. 2. Enter “3” in Field 01FSC. Note: TY17 and prior, enter “6” if appropriate. 3. Assign TPNC 330

- (3) **FS 2** - Dual-status taxpayers cannot file a joint tax return (except if making an election as described above). To determine the appropriate filing status, follow the instructions for dual-status returns in Field 01FSC at IRM 3.22.3.15.12. If changing the filing status to FS 3 or 6 (TY17 and prior), assign TPNC 330
- (4) **FS 4** - Dual-status taxpayers cannot use the head of household tax. If you can determine the filing status used was FS 4, change FS 4 to 1 or 3 as appropriate and assign TPNC 330.

3.22.3.190.2.3.2
(01-01-2026)

EC 256 - TY 2017 and prior, Exemptions for Dual-Status

- (1) A dual-status taxpayer usually will be able to claim his/her own personal exemption. They are subject to the general rules for qualification; they can claim exemption for their spouse and dependents when they figure taxable income for the part of the year that they were resident aliens. The amount they can claim for these exemptions is limited to their taxable income (figured before subtracting exemptions) for the part of the year they were **resident aliens**. They cannot use exemptions (other than their own) to reduce taxable income to less than zero for that period.
- a. Code & Edit is instructed to edit all exemptions as appropriate.

If	Then
The taxpayer's Form 1040, line 41 income is equal to or exceeds the total exemption amount,	<p>Allow all valid exemptions.</p> <p>Example: The taxpayer has \$20,000 of income on Form 1040, line 41, has \$2,000 in income on Form 1040-NR, line 39, and claims three (3) valid exemptions. Allow \$12,150 for exemptions.</p>
The taxpayer's Form 1040, line 41 is less than the total exemption amount,	<ol style="list-style-type: none"> 1. Manually compute exemption amount and GTSEC 01 and enter the allowable exemption(s) in Field 94EXV. <p>Example: The taxpayer has income of \$10,000 on Form 1040, line 41, has income of \$50,000 on Form 1040-NR, line 39, and claims four (4) valid exemptions. Allow only \$8,100 for 2 exemptions by adjusting Field 94EXV.</p> 2. EC 256 generates, assign TPNC 330 <p>Note: When deleting exemptions, delete the dependents before deleting spouse or primary.</p> <p>(In the instance where the exemptions must be prorated, round to the next higher number and enter the results in Field 94EXV.</p> <p>Example: If the end result is 2.6 exemptions, allow 3).</p>

Note: Child Tax Credit - If exemptions are reduced/limited, be sure to use Field 94CEV to limit Child Tax Credit computation and Field 21QI when Child Care Credit is claimed.

3.22.3.190.2.3.3
(01-01-2026)

EC 256 - Dual-status and Excluding Income

- (1) Dual-status taxpayers are allowed to claim the Foreign Earned Income Exclusion, Housing Deduction, and Housing Exclusion on the Form 1040 portion of their income by using a valid Form 2555. Income earned during the Form 1040-NR period may not be excluded with Form 2555. Caution must be used when working dual-status returns when the Form 1040-NR is the controlling document as there is no designated line on this form for claiming the exclusion, and the Form 2555 can't be transcribed. Manually verify taxpayer's entries and use ERS Input Only Fields as necessary to allow the exclusion when valid. See IRM 3.22.3.42.

If	Then
The taxpayer is excluding foreign income earned during the Form 1040-NR period with Form 2555, and Form 2555 has been X'd by Code & Edit,	<ol style="list-style-type: none"> 1. Delete the Form 2555 entry in Field 04OTI and Field 04ADJ. 2. Make sure the income amount has been included on Form 1040 and Schedule 1. 3. Assign TPNC 387.

- (2) **Tax Treaties** - Generally, dual-status taxpayers may be eligible for tax treaty benefits only with respect to income received during the period that they are nonresident aliens. The country, the amount of income exempt by a tax treaty, and the tax treaty article under which an exemption is claimed must be reported on Form 1040-NR.

If	Then
The taxpayer is excluding income based on a tax treaty on Form 1040-NR,	Do not include the excluded income.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions* concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.191
(01-01-2026)
Error Code 257 - Form 8615 Deductions

- (1) EC 257 generates when inconsistent data is on Form 8615 and Schedule A.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 257*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.191.1
(01-01-2026)
Fields Displayed - EC 257

- (1) The following fields are displayed for EC 257.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
S07NP	Section 07 Not Present
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer
3302	Form 8615 Deductions

3.22.3.192
(01-01-2015)
**Error Code 258/558 -
Form 8615 Tax**

- (1) EC 258 generates when inconsistent data is on Form 8615 and Tentative Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 258* for invalid conditions, correction procedures and allowable TPNs.

3.22.3.192.1
(01-01-2026)
**Fields Displayed - EC
258**

- (1) The following fields are displayed for EC 258.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01NL1	Name line 1
01NL2	Name line 2
03DSI	Dependent Status Indicator
03INC	Taxable Income Amount
>>>>	Taxable Income Amount Computer
94INV	Taxable Income Amount Verified
33PNC	Parents Name Control
33PSS	Parents SSN
3301	Form 8615 Gross Investment Income
3302	Form 8615 Deductions
3318	Form 8615 Tax
>>>>	Form 8615 Tax Computer
3318V	Form 8615 Tax Verified

Note: The fields displayed for EC 558 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 258.

3.22.3.193
(01-01-2017)
**Error Code 260 - CCC
“Y”**

- (1) EC 260 generates when Computer Condition Code “Y” is present in Field 01CCC. CCC Y is edited by Code & Edit or generated by computer programming to force returns to ERS. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 260* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures.

3.22.3.193.1
(01-01-2026)
**Fields Displayed - EC
260**

- (1) The following fields are displayed for EC 260.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	Filing Status Code	

1040-NR	1040-SS (sp)/1040-SS	Field Title
01TXP	01TXP	Tax Period
	02RI	Revalidation Indicator
01CCC	01CCC	Computer Condition Code
01EXC		Exemption Code Field
94EXV		Exemption Code Verified Field
01RPC	01RPC	Returns Processing Code
01ACD		Audit Code Field
03INC		Taxable Income
>>>>		Taxable Income Computer
94INV		Taxable Income Amount Verified
03TTX		Tentative Tax
>>>>		Tentative Tax Computer
94TTV		Tentative Tax Verified
	0503	Combined SE Tax
	>>>>	Combined SE Tax Computer
03TAX	03TAX	Total Tax
>>>>	>>>>	Total Tax IMF Computer
94TXV	94TXV	Total Tax IMF Verified
05ESS		Excess Social Security Tax Withheld
	17SEV	SE Tax Verified
	18SEV	SE Tax Verified
03BDR>	03BDR>	Balance Due/Overpayment Taxpayer Computer
>>>>	>>>>	Balance Due/Overpayment Computer
88CD1		Unallowable Code- 1
88AM1		Unallowable Amount- 1
88CD2		Unallowable Code- 2
88AM2		Unallowable Amount- 2
88CD3		Unallowable Code- 3
88AM3		Unallowable Amount- 3
63SPF		Form 8958 Spouse or Partner First Name

1040-NR	1040-SS (sp)/1040-SS	Field Title
63SPL		Form 8958 Spouse or Partner Last Name
63SPN		Form 8958 Spouse or Partner SSN
S63NP		Section 63 Not present

3.22.3.193.2
(11-27-2020)

**Correction Procedures -
CCC Y on Modernized
E-File (MeF) Returns**

- (1) On all MeF returns that generate EC 260, GTSEC 02 and enter "R" in Field 02RI and transmit. Follow all EC 260 instructions before clearing.
- (2) Modernized E File (MeF) generates CCC Y to force returns filed electronically to ERS for action and review. View "Code & Edit Values" on the MeF return information screen to display the reason for the CCC Y coding.
- (3) MeF Form 1040-NR will display Code & Edit Value "Computer Condition Code Y - Refund Mailing Address" when an alternate mailing address is on line 35e (TY19, line 73e) of Form 1040-NR. Follow the instructions for "Manual Refunds", at IRM 3.22.3.193.6(3) below.

3.22.3.193.2.1
(11-27-2020)

**Prior Year Form 1040,
1040-PR and Form
1040-SS (MeF Only)**

- (1) MeF may generate CCC Y on prior year returns for ERS tax examiners to retrieve additional information validated using the National Accounts Profile (NAP). GTSEC 02 and enter "R" in Field 02RI and transmit. Enter "C" in the Clear Code field if other conditions for EC 260 are not present.

3.22.3.193.2.2
(02-08-2024)

**Form 1040 with Form
8833 Present (MeF Only)**

- (1) MeF will generate CCC Y on Form 1040 when Form 8833, *Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)*, is attached to the return. Review the Form 8833 and the tax return for an indication that the taxpayer is exempting income based on a tax treaty.

Note: If Form 8833 is unreadable in EUP then utilize the Form 1040 XML data to verify the information on Form 8833.

If a tax treaty income exemption is claimed, follow the instructions in EC 218, *Tax Treaty Claimed on Form 1040*, at IRM 3.22.3.168.2.3.3. Enter "C" in the Clear Code field at EC 260 after following the instructions and any other instructions for EC 260 that may apply.

3.22.3.193.2.3
(11-27-2020)

**Form 1040 with Form
SSA/RRB 1042-S (MeF
Only)**

- (1) CCC Y generates on Form 1040 filed electronically to force Form 1040 with Form SSA/RRB 1042-S present to ERS for review of supporting documentation. If Form SSA/RRB 1042-S is present on a MeF Form 1040, then follow the correction procedures in EC 366 at IRM 3.22.3.264.3.3. If no correspondence is required, enter "C" in the Clear Field.

3.22.3.193.3
(06-08-2017)

**Correction Procedures-
CCC Y on Dual-Status
Form 1040**

- (1) The dual-status taxpayer cannot use the standard deduction. If Form 1040 is the controlling dual-status return, enter "1" in Field 07IEI. Enter "C" in the clear field if a manual refund is not required.

Exception: If a taxpayer is a resident of India allow the standard deduction, if claimed, and enter "C" in the clear field if no manual refund is required.

- (2) If the dual-status return requires a manual refund see Manual Refund procedures at IRM 3.22.3.193.6.

3.22.3.193.4
(01-01-2019)

**Correction Procedures -
Form 1040-NR with U.S.
- Canada Tax Treaty
Article XXV Claim**

- (1) CCC Y is edited by Code & Edit and generated by Modernized E-File (MeF) on Form 1040-NR when the taxpayer indicates that tax is computed in accordance with the special provision contained in Article XXV(3) of the U.S.- Canada Tax Treaty. Review Form 1040-NR for the following indicators to help identify a Canadian taxpayer claiming the benefit of Article XXV(3):

- a. Two names are present in the entity section of the return; or
- b. Hypothetical married filing joint tax computation using worldwide income for both taxpayers (Form 1040 or statement); or
- c. A statement is attached indicating that a special computation permitted by the U.S.- Canada Tax Treaty has been used; or
- d. A notation of "Article XXV" is found on the return or its attachments.

If Article XXV is indicated, follow the instructions in EC 265 at IRM 3.22.3.198.2 (2). Enter "C" in the Clear Field to clear EC 260.

3.22.3.193.5
(11-27-2020)

**Community Property
Returns - Form 1040-NR**

- (1) A taxpayer filing Form 1040-NR with community property income must report the earned income produced by the taxpayer and taxable in the U.S. on the tax return. If the taxpayer indicates on the return or attachment that a part of the taxpayer's earned income has been allocated for tax purposes to the spouse under community property laws, or if the spouse's earned income is reported on the taxpayer's return as community property income, then SSPND 370 to Examination and attach Form 4227 and note "NRA Community Property Earned Income Split". If the earned income hasn't been split between the taxpayer and spouse then enter C in the Clear Field.

Note: Form 8958, *Allocation of Tax Amounts Between Certain Individuals in Community Property States*, is attached to Form 1040-NR and Section 63 is transcribed for this tax form. Refer to EC 260 in IRM 3.12.3 for Form 8958 instructions.

3.22.3.193.6
(04-17-2024)

Manual Refunds

- (1) **READ ALL** instructions in this subsection (paragraphs 1 - 6) before issuing a manual refund.
- (2) **DO NOT ISSUE A MANUAL REFUND WHEN ANY OF THE FOLLOWING CONDITIONS EXIST.**
- a. Computer Condition Code "O" is edited on Form 1040-NR as instructed in, *Refund Schemes*.
 - b. Missing or photocopied signature. SSPND with Action Code 215 for substantiation and/or original signature. When the taxpayer replies with substantiation, issue a manual refund following procedures in (5) and (6) below.
 - c. If the taxpayer completed the Direct Deposit Section 06 of the return.

- d. Substantiation of payments is missing (e.g., Form W-2, Form 1099, Form 8288-A, Form 1042-S, etc.)
- e. Taxpayer indicates "same" for refund address.
- f. When return is a Balance Due return or when taxpayer is **applying their total refund amount to the next tax year** (i.e., indicating a credit election to the next tax period).
- g. Taxpayer has been assigned an IRSN. An IRSN begins with 9 and the two middle digits are other than 50-65; 70-88; 90-92; 94-99.

Note: For conditions a, c, d, e, f, and g above, continue processing.

Note: Any return hand walked by a TS liaison for Taxpayer Advocate Service (TAS) as a manual refund should be processed by an ERS Lead Tax Examiner or an experienced designated tax examiner. (Refer to EC 260 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*).

(3) If **Form 1040-NR** has an address written on line 35e (TY19, line 73e) **issue a manual refund if:**

- a. The return has a refund amount; and
- b. The address on line 35e (TY19, 73e/23e) is different from the entity address; and
- c. The entity address is foreign; or
- d. The entity address is in the United States and the address on line 35e (TY19, 73e/23e) is foreign. A refund can't be mailed to the address on line 35e (TY19, 73e/23e) if both addresses are within the U.S.

(4) If Second name line is required, on a REFUND return, for any of the following conditions in a - d below see (5) and (6) below to issue a manual refund.

- a. Decedent Returns
- b. Returns displaying a title by the court, such as guardian, executor, agent, etc.
- c. Minor returns (e.g., from Form 8615 or signature line) if parent's name is known.
- d. DO NOT enter POA names as Second Name line, unless POA is being used as part of the address.

(5) **When issuing a manual refund:**

- a. Delete the amount in Field 03BDR.
- b. Delete CCC "Y", "L", and "W" from ERS screen and circle CCC "Y", "L", and "W" on document.
- c. Process the entire document.
- d. When EC 370/670 generates SSPND with Action Code 341.

Caution: A previous math error may cause a refund to change from refund to balance due. If the underprint for Field 03BDR is a positive amount (balance due) don't SSPND 341 or process as a manual refund.

- e. Prepare Form 4227 notating "Manual Refund" and attach to the return.

(6) When the record is returned from Accounting enter CCC "O" in Field 01CCC and continue processing.

3.22.3.193.7
(11-08-2021)
**Short Period Tax
Returns**

- (1) A taxpayer may file a short period Form 1040-NR before December 31st of a tax year due to the date of final departure from the United States. See IRM 3.22.3.11 (6) for instructions for early filed returns.
- (2) If the beginning and ending dates above the caption area on Form 1040-NR are the same as the dates on Schedule OI, Question G, process the return as a full calendar year return as follows:
 - a. If a current year return, delete the tax period from Field 01TXP and transmit.
 - b. If a prior year return, enter the tax period using format YYYY12.
 - c. If EC 260 generates, delete CCC Y.

If the dates are different, follow the instructions in (3) below.

- (3) Refer to instructions in IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 260, Short-Year Tax Returns*, for correction procedures. When corresponding, use fill-in paragraph A from Exhibit 3.22.3-12 on paragraph \$ of Form 13900.

3.22.3.194
(01-01-2015)
**Error Code 261/561 -
Form 8814 Tax (Section
40)**

- (1) EC 261 generates when Form 8814 is present and Form 8814 Tax is not equal to Form 8814 Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 261* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.194.1
(01-01-2023)
**Fields Displayed - EC
261**

- (1) The following fields are displayed for EC 261.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
04OTI	Other Income
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
40CN1	Form 8814 Name Control 1
40CT1	Form 8814 SSN 1
4001A	Form 8814 Taxable Interest 1
4001B	Form 8814 Tax-Exempt Interest 1
4002A	Form 8814 Ordinary Dividends 1
4003	Form 8814 Capital Gains 1
4004>	Form 8814 Income Computer 1
4015	Form 8814 Tax 1
>>>>	Form 8814 Tax Computer 1
S41DP	Section 41 Data Present

1040-NR	Field Title
S42DP	Section 42 Data Present

Note: The fields displayed for EC 561 will include a Clear Code field and 02NC> and all other fields will be the same as EC 261.

Note: In addition to the TPNCs listed for Error Code 261 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 261* the following TPNC is also valid for Form 1040-NR: 558 - You gave us information that changed the amount of tax you owe. (Form 1040-NR)

3.22.3.195
(11-27-2020)
**Error Code 262/562 -
Form 8814 Tax (Section
41)**

- (1) EC 262 generates when Form 8814 is present and Form 8814 Tax is not equal to Form 8814 Tax Computer. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 262* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.195.1
(01-01-2023)
**Fields Displayed - EC
262**

- (1) The following fields are displayed for EC 262:

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
04OTI	Other Income
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
41CN2	Form 8814 Name Control 2
41CT2	Form 8814 SSN 2
4101A	Form 8814 Taxable Interest 2
4101B	Form 8814 Tax Exempt Interest 2
4102A	Form 8814 Ordinary Dividends 2
4103	Form 8814 Capital Gains Distributions 2
4104>	Form 8814 Income Computer 2
4115	Form 8814 Tax 2
>>>>	Form 8814 Tax Computer 2
S40DP	Section 40 Data Present
S42DP	Section 42 Data Present

Note: The fields displayed for EC 562 will include a Clear Code field and 02NC> and all other fields will be the same as EC 262.

Note: In addition to the TPNCs listed for Error Code 262 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 262* the following TPNC is

also valid for Form 1040-NR: 558- You gave us information that changed the amount of tax you owe. (Form 1040-NR)

3.22.3.196
(01-01-2015)

**Error Code 263/563 -
Form 8814 Tax (Section
42)**

- (1) EC 263 generates when Form 8814 is present and Form 8814 Tax is not equal to Form 8814 Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 263* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.196.1
(01-01-2023)

**Fields Displayed - EC
263**

- (1) The following fields are displayed for EC 263.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
04OTI	Other Income
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
42CN3	Form 8814 Name Control 3
42CT3	Form 8814 SSN 3
4201A	Form 8814 Taxable Interest 3
4201B	Form 8814 Tax Exempt Interest 3
4202A	Form 8814 Ordinary Dividends 3
4203	Form 8814 Capital Gains Distributions 3
4204>	Form 8814 Income Computer 3
4215	Form 8814 Tax 3
>>>>	Form 8814 Tax Computer 3
S40DP	Section 40 Data Present
S41DP	Section 41 Data Present

Note: The fields displayed for EC 563 will include a Clear Code field and 02NC> and all other fields will be the same as EC 263.

Note: In addition to the TPNCs listed for Error Code 263 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 263* the following TPNC is also valid for Form 1040-NR: 558 - "You gave us information that changed the amount of tax you owe". (Form 1040-NR)

3.22.3.197
(01-01-2015)

**Error Code 264/564 - Tax
on Lump Sum
Distribution Form 4972**

- (1) EC 264 generates when Form 4972 is present and Form 4972 Tax is not equal to Form 4972 Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 264* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.197.1
(01-01-2023)

**Fields Displayed - EC
264**

- (1) The following fields are displayed for EC 264.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
2806	Form 4972 Capital Gain
2811	Current Actuarial Value Amount
2812	Adjusted Taxable Amount
2818	Federal Estate Tax Amount
2830	Form 4972 Tax Taxpayer
>>>>	Form 4972 Tax Computer
28TDV	Form 4972 Tax Verified
2801	Qualifying Plan Indicator
2802	Rollover Indicator
2803	Employee Benefit Indicator
2804	Five Year Member Indicator
2805A	Prior Year Distribution Indicator
2805B	Death Beneficiary Indicator
S28NP	Section 28 Not Present

Note: The fields displayed for EC 564 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 264.

3.22.3.198
(01-01-2015)

**Error Code 265/565 -
Tentative Tax**

- (1) EC 265 generates when the taxpayer's and computer's amounts for both Tentative Tax and Total Tax differ and a math error is present.
- (2) If the taxpayer is excluding under IRC 931, IRC 933, or using Form 4563, make sure the income is reported and the exclusion amount is reported in Field 04OTI as a negative amount.

Caution: If the taxpayer is excluding Schedule D income from Form 1040 and EC 265 sets manually compute and verify tax without the Schedule D income.

- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 265* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 correction procedures and allowable TPNs.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General*

Instructions, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.198.1
(01-01-2026)

**Fields Displayed - EC
265**

- (1) The following fields are displayed for EC 265.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01CCC	Computer Condition Code
01EXC	Exemption Code
	Exemption Verified
03DSI	Dependent Status Indicator
03TWG	Total Wages Amount
03INT	Taxable Interest
03DIV	Ordinary Dividends
03QD	Qualified Dividends
03CGL	Schedule D Profit/Loss
03INC	Taxable Income Amount
>>>>	Taxable Income Amount Computer
94INV	Taxable Income Verified Amount
03TTX	Tentative Tax Amount
>>>>	Tentative Tax Computer
03CGE>	Capital Gains Excess Computer
CGTAX>	Schedule D Tax
94TTV	Tentative Tax Verified
	Withholding from Form(s) W-2 and 1099
	Withholding from Form(s) 1042-S
	Total Payments
03BDR	Balance Due/Refund
>>>>	Balance Due/Overpayment Computer
03BDR>	Balance Due/Overpayment Taxpayer Computer
S12NP	Section 12 Not Present
1207	Net Short Gain or Loss
1215	Net Long-Term Gain or Loss Amount

1040-NR	Field Title
1218	28 percent Rate Gain or Loss
1219	Unrecaptured Section 1250 Gain
S51NP	Section 51 Not Present
514E	Form 4952 Disposition of Investment Property
514G	Form 4952 Investment Income Elect
S20NP	Section 20 Not Present
2002A	Elected Farm Income Amount
2002B	Excess Net Long-Term Gain
2008	3-Year-Old Schedule J Tax
2012	2-Year-Old Schedule J Tax
2016	1-Year-Old Schedule J Tax
2017>	Gross Schedule J Computer Amount
2019	Tentative Tax From 3rd Prior Year Return Amount
2020	Tentative Tax From 2nd Prior Year Return Amount
2021	Tentative Tax From 1st Prior Year Return Amount
2023>	Schedule J Tax Computer Amount
S33NP	Section 33 Not Present
3318	Form 8615 Tax
>>>>	Form 8615 Tax Computer
S28NP	Section 28 Not Present
2830	Form 4972 Tax Taxpayer
>>>>	Form 4972 Tax Computer
03AF	Additional Form 8814 Filed Number
03AT	Additional Form 8814 Tax Amount
4015	Form 8814 Section 40 Tax Amount
>>>>	Form 8814 Tax Computer Section 40 Amount
4115	Form 8814 Section 41 Tax Amount
>>>>	Form 8814 Tax Computer Section 41 Amount
4215	Form 8814 Section 42 Tax Amount
>>>>	Form 8814 Tax Computer Section 42 Amount

Note: The fields displayed for EC 565 will include a Clear Code field and 02NC> and all other fields will be the same as EC 265.

3.22.3.198.2
(01-01-2023)

**Correction Procedures -
EC 265 Form 1040-NR**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Follow these procedures for Form 1040-NR if a married Canadian resident taxpayer, who is not a U.S. citizen, claims the benefit of **Article XXV(3)** as described in IRM 3.22.3.11.5.

If	And	Then
<p>a. The taxpayer is married, and</p> <p>b. The taxpayer has income from employment which is subject to tax in the United States under Article XV (Income from Employment).</p> <p>Note: If the taxpayer is claiming that the income from employment is exempt from U.S. tax under Article XV, the taxpayer cannot claim the benefit of Article XXV(3) with respect to that income.</p>	<p>The return has a Form 1040 or statement attached that includes:</p> <ul style="list-style-type: none"> • The worldwide income of the taxpayer and spouse, • A calculation of taxable income using the worldwide income, • A hypothetical married filing jointly (FS 2) tax computation based on this taxable income, 	<p>Manually compute tax as follows:</p> <ol style="list-style-type: none"> a. Using FS 2 tax tables, compute tentative tax using the taxpayer's taxable income on the Form 1040 or similar statement. (If prior math error see guidance in paragraph 3 below.) b. Divide Form 1040-NR taxable income by Form 1040 taxable income. c. Multiply the Form 1040 tentative tax computed under (a) by the amount computed under (b) and enter the result in Field 94TTV. <p>Note: The standard deduction for FS 2 is allowed in the calculation of taxable income and tentative tax on the Form 1040 or similar statement.</p>
EC 265 generates after adjusting Field 94TTV,		Assign TPNC 313

If	And	Then
a. The taxpayer is married, and b. The taxpayer has income from employment which is subject to tax in the United States under Article XV (Income from Employment),	The Form 1040 or statement with the hypothetical married filing jointly tax computation is missing from the return,	SSPND 215 and correspond selecting fill-in paragraph E from Exhibit 3.22.3-12 on Form 13900.

- (3) When computing the hypothetical Form 1040 taxable income and tentative tax, follow this guidance:
 - a. Start with the adjusted gross income (AGI) reported on the Form 1040 or similar statement.
 - b. Allow deductions for which the taxpayer and spouse would qualify if they were U.S. citizens. This includes the standard deduction. Follow taxpayer intent if the taxpayer itemizes deductions on the hypothetical Form 1040.
 - c. For TY17 and prior, allow all exemptions for which the taxpayer and spouse would qualify if they were U.S. citizens.
 - d. For TY17 and prior, if personal exemptions and itemized deductions are limited by AGI on Form 1040-NR, then use Form 1040 AGI and FS 2 to determine the AGI limitations, if any, when calculating the exemption and deduction amounts for Form 1040. Subtract these amounts from the Form 1040 AGI to determine taxable income.
- (4) If income losses for the spouse are included in worldwide income and included in the calculation of taxable income, then recalculate the AGI and taxable income on the Form 1040 statement without the spouse's income losses. Use this amount in the tax calculation.
- (5) If the taxpayer is not married (e.g., uses Head of Household on Form 1040 or statement), then the Article XXV(3) computation is not allowed. Follow normal EC 265 correction procedures and assign TPNC 209.
- (6) Article XXV(3) does not provide a basis for Canadian residents who are not U.S. citizens to claim on their actual Form 1040-NR a standard deduction or any credits for which they would otherwise not be eligible under the Internal Revenue Code.
- (7) If there is an indication that the taxpayer is filing an Expatriation return (e.g., "Expatriation Return" noted across the top of the tax return or Schedule OI, Question "D" is answered "yes" and/or Form 8854 is attached) refer to IRM 3.22.3.11.6 for correction procedures.

3.22.3.198.3
(01-01-2023)

**Correction Procedures -
EC 265 Form 1040 with
Form 2555**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) If Form 2555 is attached, correct transcription errors in Fields 3445/3545 and 3450/3550. If Form 2555-EZ is attached the line 18 amount must be entered in Field 3445/3545.

Note: If line 45 on Form 2555 is a negative amount then tentative tax will not correctly compute. Follow the instructions in EC 218 at IRM 3.22.3.168.2.3.1(2) and adjust the entries.

- (3) For **TY 2015 and later:**

If	And	Then
Tentative tax in Field 03TTX is less than the computer under-print amount,	<p>Taxpayer has attached a Foreign Earned Income Tax Worksheet with an amount on line 2b, or a statement with the amount of Schedule A, Itemized Deductions not claimed because the deductions are related to excluded income on Form 2555</p> <p>Note: The Foreign Earned Income Tax Worksheet is displayed in the ERS International Job Aid 2512-001.</p>	<p>Verify taxpayer's amount in Field 94TTV.</p> <p>Note: If prior math error refer to lead tax examiner.</p>
Tentative tax in Field 03TTX is more than the computer under-print amount,	<p>There is an amount present in Field 03CGE></p> <p>Note: Field 03CGE> represents Capital Gain Excess (i.e., Taxable Income is less than Qualified Dividends plus Capital Gains)</p>	<p>Verify taxpayer's amount in Field 94TTV.</p> <p>Note: If prior math error refer to lead tax examiner.</p>

If	And	Then
All others,	Taxpayer has made an error in figuring tentative tax on line 16 (TY19, 12a),	assign TPNC 302.

(4) For **TY 2006 through TY 2014:**

If	And	Then
Tentative tax is less than the computer amount,	Taxpayer has attached a Foreign Earned Income Tax Worksheet with an amount on line 5, or a statement with the amount of Schedule A, Itemized Deductions not claimed because the deductions are related to excluded income on Form 2555	Verify taxpayer's amount in Field 94TTV. Note: If prior math error refer to lead tax examiner.
All others,		<ol style="list-style-type: none"> 1. Compute tax using the Foreign Earned Income Tax Worksheet. 2. Enter the calculated amount into Field 94TTV. 3. If Error Code 265 redisplay, assign TPNC 302.

(5) For **TY 2005 and prior:** The taxpayers are instructed to use the tax tables or the appropriate tax computation worksheet to figure their tentative tax amount.3.22.3.198.4
(01-01-2023)**Correction Procedures -
EC 265 Dual-status
Return**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Ensure all income and/or tax is combined on the controlling document and if there is still a difference in tentative tax follow procedures below.

If	And	Then
Form 1040 is controlling,		Assign appropriate TPNC.

If	And	Then
Form 1040-NR is controlling,	No Form 2555 is attached	Assign appropriate TPNC.
Form 1040-NR is controlling,	A valid Form 2555 is attached	<p>a. Manually calculate tax on the combined taxable income (i.e., the Form 1040-NR taxable income plus the Form 1040 taxable income) using the worksheets contained in the instructions to Form 1040.</p> <p>b. Use ERS Input Only Fields as necessary to allow the exclusion when valid.</p>

- (3) Dual-status taxpayers can claim the Foreign Earned Income Exclusion, Housing Deduction, and Housing Exclusion on the Form 1040 portion of their income by using a valid Form 2555. Income earned during the Form 1040-NR period may not be excluded with Form 2555.
- Caution must be used when working dual-status returns when the Form 1040-NR is the controlling document as there is no designated line on this form for claiming the exclusion and the Form 2555 can't be transcribed. **Manually verify** the tax using the Foreign Earned Income Tax Worksheet and enter the tax in Field 94TTV.
 - Taxpayers must complete worksheets contained in the instructions to Form 1040 and Form 6251 to determine the amount of their regular and alternative minimum tax.

3.22.3.198.5
(01-18-2012)

**Correction Procedures -
EC 265 - All Other
Forms**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Follow relevant correction procedures in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 265*.

3.22.3.198.6
(01-01-2020)

**Correction Procedures -
EC 565**

- (1) The fields displayed in EC 565 will include a Clear Field and Field 02NC> and all other fields are the same as EC 265.
- (2) Refer to all instructions for EC 265 and refer to IRM 3.12.2, *Field 02NC> Non-Compute Code*, for Non-Compute information.

Caution: EC 265 includes instructions for using Field 94TTV to verify tentative tax if specific conditions are present (e.g., Capital Gains Excess on Form 1040 with Form 2555). Follow these instructions before clearing EC 565

- (3) Correct coding and transcription errors and misplaced entries in displayed fields.
- (4) Enter C in the Clear Field, if there are no corrections.

3.22.3.198.7
(11-03-2022)

**Allowable Taxpayer
Notice Codes EC 265**

(1) The following TPNCs are used for EC 265.

TPNC	Literal
	Any previously assigned TPNC
100	
101	We recomputed your tax using FSC 1.
102	We recomputed your tax using FSC 2 (Form 1040)
103	We recomputed your tax using FSC 3.
104	We recomputed your tax using FSC 4
105	We refigured your tax using the qualified surviving spouse filing status based on the information you reported (Form 1040)
106	We recomputed your tax using the FSC 2. You can use FSC 5 for the following 2 years after spouse's death if you have a dependent child.
108	Your return was filed using the head of household filing status. The name of the dependent that qualifies you for the head of household filing status was not present. (Form 1040)
109	We recomputed your tax using FSC 6. We considered your spouse as a dependent (spouse only dependent claimed and no income).
111	Your return was converted to a Form 1040.
176	Transferred AGI from page 1 to page 2 incorrectly.
202	You can't claim an exemption for yourself when you can be claimed as a dependent on another person's return.
208	We changed the amount of taxable income because there was an error in the subtraction of your exemption or combined standard deduction/exemption amount.
209	We changed the amount of tax shown on your return. The amount entered was incorrect based on your taxable income and filing status.
211	We recomputed your tax using the tax rates on Qualified Dividends and Capital Gains because it is generally lower than the standard rates.
212	Computed or transferred Schedule J tax incorrectly.
214	Transferred tax on Form 8615 incorrectly.
215	You don't need to file Form 8615.
216	Computed or transferred Part 1 of Form 8814 incorrectly.
217	Based on our computation of your taxable income, you don't owe any tax.

TPNC	Literal
218	We computed your tax for you.
219	Added tax and Additional Tax incorrectly.
220	We recomputed your tax using the tax table, tax rate schedules, or capital gains tax computations. We were unable to accurately compute your tax on Form 8615 because of a math error found on another part of your tax return.
221	We recomputed your tax liability by subtracting the tax paid on Form 8615.
265	Subtracted credits from tax incorrectly.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
559	We refigured the tax on page 2 of your tax return using the maximum tax rate. Form 8615, Tax for Certain Children Who Have Investment Income of More Than \$1,800, did not include the parent's taxable income.
560	We used the tax table or tax rate schedules to figure your tax. We considered your capital gains to be short-term because your Schedule D wasn't attached to your return.

TPNC	Literal
302	You failed to use the Foreign Earned Income Tax Worksheet or computed it incorrectly.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
313	We changed the tax amount on your Form 1040-NR because of an error in your calculation of tax on the hypothetical married filing jointly statement you attached to your return.
321	Dual-status taxpayers cannot file a joint tax return. Based on the information on your return, you are making an election to be taxed as a resident alien for the entire tax year. We have changed your tax return accordingly.
324	We didn't allow the amount claimed for standard deduction. Dual-status taxpayer can't claim the standard deduction.
325	You combined the effectively connected income from your statement with the income on the return incorrectly.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.

TPNC	Literal
406	We disallowed your treaty exemption claim because you didn't reply to our request for more information. We have changed your tax return accordingly. (1040-NR)
409	We can't allow your tax treaty exemption claim. Your claim is not a valid tax treaty claim. We changed your return accordingly. (1040-NR)
418	We didn't allow the amount claimed for standard deduction when you file Form 1040-NR.
429	We refigured your tax using 30 percent (or lower treaty) rate from Schedule NEC of your Form 1040-NR.
449	We changed the amount of taxable income on line 41 of your Form 1040-NR because the exemption amount on line 40 was subtracted incorrectly from line 39.
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, Error Resolutions for complete literal for Domestic TPNCs, Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.199
(01-01-2023)
**Error Code 266/566 -
Tentative Tax Form 2555**

- (1) EC 266 generates for Form 1040 with a valid Form 2555 (Section 34/35) present when Tentative Tax Computer does not match Tentative Tax and EC 265 does not generate.

3.22.3.199.1
(11-08-2021)
**Fields Displayed - EC
266**

- (1) The following fields are displayed for EC 266:

1040	Field Title
01TXP	Tax Period
01RPC	Return Processing Code
01CCC	Computer Condition Code
01FSC	Filing Status Code
03WG	Wages
03INT	Taxable Interest
03DIV	Ordinary Dividends
03QD	Qualified Dividends
03CGL	Schedule D Profit/Loss
04OTI	Other Income Amount
03INC	Taxable Income Amount

1040	Field Title
>>>>	Taxable Income Amount Computer
94INV	Taxable Income Verified Amount
03TTX	Tentative Tax Amount
>>>>	Tentative Tax Computer
03CGE>	Capital Gains Excess Computer
CGTAX>	Schedule D Tax
94TTV	Tentative Tax Verified
TFIEX>	Total Foreign Income Exclusion Computer
S34NP	Section 34 Not Present
3442	Form 34 Foreign Earned Income Exclusion
3445	Form 34 Total Foreign Income/Housing Exclusion
3450	Form 34 Housing Deduction
S35NP	Section 35 Not Present
3542	Form 35 Foreign Earned Income Exclusion
3545	Form 35 Total Foreign Income/Housing Exclusion
3550	Form 35 Housing Deduction
03BDR	Balance Due Overpayment
>>>>	Balance Due Overpayment Computer
03BDR>	Balance Due Overpayment Taxpayer Computer

Note: The fields displayed for EC 566 will include a Clear Code field and 02NC> and all other fields will be the same as EC 266.

3.22.3.199.2

(01-01-2020)

Invalid Conditions - EC 266

(1) EC 266 generates when

1. Total Foreign Income Exclusion Computer (Field TFIEX>) amount is present; and
2. Tentative Tax Computer is present; and
3. Tentative Tax Computer does not equal Tentative Tax; and
4. A math error is present.

3.22.3.199.3

(01-01-2023)

Correction Procedures - EC 266 Form 1040 with Form 2555

(1) Correct coding and transcription errors and misplaced entries in displayed fields.

(2) Follow instructions under EC 265 IRM 3.22.3.198.3 to resolve error.

Caution: If Field 03INC and Field 03TTX are blank, then the taxpayer's tax calculation is correct using the taxpayer's figures. EC 266 may generate when the taxpayer's total income was significantly adjusted at EC 218, for example when the taxpayer reported foreign wages on Form 2555 but

didn't report the wages on Form 1040. If EC 266 generates when Fields 03INC and 03TTX are blank, then ripple the TPNC assigned at EC 218.

3.22.3.199.4
(11-08-2021)

**Allowable Taxpayer
Notice Codes EC 266**

- (1) The following TPNCs are used for EC 266.

TPNC	Literal
	Any previously assigned TPNC
100	
111	Your return was converted to a Form 1040.
302	You failed to use the Foreign Earned Income Tax Worksheet or computed it incorrectly.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

3.22.3.200
(01-01-2015)

**Error Code 267 -
Alternative Minimum Tax**

- (1) EC 267 generates when Alternative Minimum Tax is not equal to Alternative Minimum Tax Computer.
- (2) Refer to EC 267 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 267*, for invalid conditions. Refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.200.1
(01-01-2026)

**Fields Displayed - EC
267**

- (1) The following fields are displayed for EC 267.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01FPC	Form Processing Code
01RPC	Return Processing Code
01ACD	Audit Code
03DSI	Dependent Status Indicator
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
03TTI>	Tax Table Income Computer
03QBI	Qualified Business Income Deduction Amount
>>>>>	F8995 Qualified Business Income Deduction Computer
03INC	Taxable Income

1040-NR	Field Title
>>>>	Taxable Income Computer
05202	Alternative Minimum Tax
>>>>	Alternative Minimum Tax Computer
S07NP	Section 07 Not Present
0701A	Total Taxes Schedule A
>>>>	Schedule A Tax Computer Amount
32HMI	Certain Home Mortgage Interest (PY) (ERS only)
07LIM>	Schedule A Total Itemized Percentage Computer
0401	State Income Tax Refund
S51NP	Section 51 Not Present
514E	Disposition of Investment Income
514G	Investment income Elect
3202F	Alternative Tax Net Operating loss
3203	Form 6251 Other Adjustments Amount
3204>	Alternative Minimum Taxable Income Computer
32EX>	Alternative Minimum Tax Exemption Computer
S12NP	Section 12 Not Present
1218	28 percent Rate Gain or Loss
1219	Unrecaptured Section 1250 Gain
T-ALT>	Tax on Alternative Minimum Taxable Income Computer
3208	Form 6251 Foreign Tax Credit
T-TWO>	Tentative Minimum Tax Computer
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
0521A	Excess APTC Repayment Amount
0521A>	AVS APTC Repayment Computer Amount
05301	Foreign Tax Credit
>>>>	Foreign Tax Credit Computer
S20DP	Section 20 Data Present
S28NP	Section 28 Not Present
2830	Form 4972 Tax
>>>>	Form 4972 Tax Computer
3211V	Alternative Minimum Tax Verified

1040-NR	Field Title
S32NP	Section 32 Not Present
S33DP	Section 33 Data Present
5714	Total Report Year Tax Change Amount

3.22.3.200.2

(03-30-2023)

**Correction Procedures -
EC 267 Form 1040-NR**

- (1) Nonresident aliens are subject to Alternative Minimum Tax according to the same criteria as United States citizens and resident aliens, except that the net gain from the sale of United States Real Property is subject to a special computation. The taxpayer may annotate Real Property Interests "RPI" on line 6 of Form 6251.
- (2) For Form 1040-NR refer to the table below for special procedures.

If	And	Then
a. "RPI" is annotated at line 6 of Form 6251, or b. Canadian taxpayer claims Article XXV, or c. Dual-status return,	There was no previous math error,	
"RPI" is annotated at line 6 of Form 6251,	There was a previous math error,	2. If EC 267 generates ripple the TPNC for the prior error.
Taxpayer claims Article XXV,	There was a previous math error,	Refer to lead to use Married Filing Jointly rates in recalculating Alternative Minimum Tax.
Dual-status return,	There was a previous math error,	Refer to ERS Lead Tax Examiner for calculation of Alternative Minimum Tax.

#

3.22.3.200.3
(01-01-2023)

**Correction Procedures -
EC 267 Form 1040**

- (1) If EC 267 generates for Form 1040 refer to the table below for special procedures.

If	AND	Then
a. Dual-status return, or b. Taxpayer is excluding income with Form 2555, or c. Taxpayer is excluding income from Puerto Rico (IRC 933), or d. Taxpayer is excluding income with Form 4563,	There was no previous math error	
a. Dual-status return, or b. Form 2555 is attached, or c. Taxpayer is excluding income from Puerto Rico (IRC 933), or d. Taxpayer is excluding income with Form 4563,	There was a previous math error	Refer to lead tax examiner for calculation of Alternative Minimum Tax.

#

3.22.3.200.4
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 267**

- (1) The following TPNCs are used for EC 267.

TPNC	Literal
	Any previously assigned TPNC.
100	
185	"Other Miscellaneous Deductions" are subject to the 2 percent limitation.
218	We computed your tax for you.
225	We changed the amount of Alternative Minimum Tax on Page 2 of your return because Schedule J, Income Averaging for Farmers and Fishermen, is not used in the computation of Alternative Minimum Tax.

TPNC	Literal
226	Computed Form 6251 line 28 Alternative Minimum Taxable Income incorrectly.
227	Figured or transferred Form 6251, Alternative Minimum Tax, incorrectly.
229	Computed Form 6251 incorrectly due to presence of Form 8844.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs.

3.22.3.201
(02-01-2023)
**Error Code 268 -
Alternative Minimum Tax
Liability**

- (1) EC 268 generates when FPC "5" is not present, Alternative Minimum Tax present. #
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 268* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures.

3.22.3.201.1
(01-01-2026)
**Fields Displayed - EC
268**

- (1) The following fields are displayed for EC 268.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01FPC	Form Processing Code
01RPC	Return Processing Code
01ACD	Audit Code
03DSI	Dependent Status Indicator
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
03TTI>	Tax Table Income Computer
03QBI	Qualified Business Income Deduction Amount
>>>>>	F8995 Qualified Business Income Deduction Computer

1040-NR	Field Title
03INC	Taxable Income
>>>>	Taxable Income Computer
05202	Alternative Minimum Tax
>>>>	Alternative Minimum Tax Computer
S07NP	Section 07 Not Present
0701A	Total Taxes Schedule A
32HMI	Certain Home Mortgage Interest (PY) (ERS only)
07LIM>	Schedule A Total Itemized Limited Percentage Computer
0401	State Income Tax Refund
S51NP	Section 51 Not Present
514E	Disposition of Investment Income
514G	Investment Income Elect
3202F	Alternative Tax Net Operating Loss
3203	Form 6251 Other Adjustments Amount
3204>	Alternative Minimum Taxable Income Computer
32EX>	Alternative Minimum Tax Exemption Computer
S12NP	Section 12 Not Present
1218	28 percent Rate Gain or Loss
1219	Unrecaptured Section 1250 Gain
T-ALT>	Tax on Alternative Minimum Taxable Income Computer
3208	Form 6251 Foreign Tax Credit
T-TWO>	Tentative Minimum Tax Computer
03TTX	Tentative Minimum Tax
>>>>	Tentative Minimum Tax Computer
0521A	Excess APTC Repayment Amount
0521A>	AVS APTC Repayment Computer Amount
05301	Foreign Tax Credit
>>>>	Foreign Tax Credit Computer
S20DP	Section 20 Data Present
S28NP	Section 28 Not Present
2830	Form 4972 Tax
>>>>	Form 4972 Tax Computer
3211V	Alternative Minimum Tax Verified

1040-NR	Field Title
S32NP	Section 32 Not Present
S33DP	Section 33 Data Present

3.22.3.201.2
(02-01-2023)

**Correction Procedures -
EC 268**

- (1) Enter the following codes if necessary, in Field 01RPC or Field 01FPC accordingly.
 - a. If Section 32 is present, enter "5" in Field 01FPC
 - b. If the taxpayer indicates "not liable" (or similar statement) for Alternative Minimum Tax on line 1, Schedule 2, Form 1040-NR (TY19, line 43 of Form 1040-NR), or line 1, Schedule 2 of Form 1040, or on Form 6251, enter "Z" in Field 01RPC.

Note: Do not enter RPC "Z" if an amount is present on line 1, Schedule 2, Form 1040-NR (TY19, line 43 of Form 1040-NR) or line 1, Schedule 2 of Form 1040.

- (2) Enter Audit Code "P" in Field 01ACD if the taxpayer
 - a. Excludes income with Form 2555
 - b. Excludes income with Form 4563
 - c. Excludes income from Puerto Rico (IRC 933)
 - d. Takes the Foreign Tax Credit (Form 1116)
 - e. Figures tax under Article XXV

Exception: If you have denied the exclusion from Form 2555, Form 4563 or IRC 933, do not enter Audit Code "P". Instead SSPND 215 and correspond for a completed Form 6251.

- (3) All others, SSPND 215 and correspond for Form 6251 using Form 13900 and selecting paragraph i.

3.22.3.202
(01-01-2015)

**Error Code 269, Audit
Code P or RPC Z**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 269* for screen display, invalid conditions and correction procedures.

3.22.3.203
(01-02-2015)

**Error Code 270 -
Advanced Premium Tax
Credit (APTC) reported
and no Form 8962
attached**

- (1) Error Code 270 will generate when Tax Period is 2014 or later, APTC Repayment is present, Section 73/74 is missing, and the Marketplace indicates coverage but no APTC was received.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 270* for screen display and correction procedures.

3.22.3.204
(01-02-2015)

**Error Code 271 - Form
8962 Monthly
Contribution Amount**

- (1) Error Code 271 generates when Tax Period is 201412 or later, Form 8962 is present, and the Monthly Contribution for Health Care differs from the computer underprint.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 271*, for screen display and correction procedures.

3.22.3.204.1
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 271**

(1) The following TPNCs are used for EC 271.

TPNC	Literal
***	Any previously assigned TPNC.
100	
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	We did not allow your personal exemption for your spouse. The SSN and/or name of your spouse is missing or does not match the records provided by the Social Security Administration. (Form 1040)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We cannot allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself. We have adjusted your return accordingly. (Form 1040-NR)
402	We cannot allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States. We have changed your tax return accordingly. (Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
784	We changed the monthly contribution amount on Form 8962, Premium Tax Credit, because you incorrectly calculated it in Part 1 - Annual and Monthly Contribution.
795	We changed the amounts on your Form 8965, Part II, to match Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.205
(01-02-2015)
**Error Code 272 - Form
8962 Alternative
Calculation for Marriage**

- (1) Error Code 272 generates when Tax Period is 201412 or later and the taxpayer is ineligible for Alternative Calculation for Marriage (ACM):
 - a. Field 7325 is blank, and taxpayer has entries on line 35a through line 35d or line 36a through line 36d, or
 - b. Taxpayer has an entry on line 35a or line 36a, Form 8962 and filing status is other than "2".
- (2) See IRM 3.12.3. *Error Resolution, Individual Income Tax Returns, EC 272*, for screen display and correction procedures.

3.22.3.205.1
(11-08-2021)
**Allowable Taxpayer
Notice Codes - EC 272**

- (1) The following TPNCs are used for EC 272.

TPNC	Literal
***	Any previously assigned TPNC.
100	
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	We did not allow your personal exemption for your spouse. The SSN and/or name of your spouse is missing or does not match the records provided by the Social Security Administration. (Form 1040)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
784	We changed the monthly contribution amount on Form 8962, Premium Tax Credit, because you incorrectly calculated it in Part 1 - Annual and Monthly Contribution.

TPNC	Literal
795	We changed the amounts on your Form 8965, Part II, to match Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.206
(01-02-2018)
Error Code 273 - Form 8962 Primary/Spouse ACM Monthly Contribution Differs

- (1) Error Code 273 generates when Tax Period is 201412 or later and the Primary/Spouse Monthly Contribution Amount differs from the computer amount for ACM Primary/Spouse Monthly Contribution. EC 273 won't generate for Form 1040-NR since ACM is disallowed at EC 272 for FSC 3/6.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, EC 273, for screen display and correction procedures.

3.22.3.207
(01-01-2016)
Error Code 274 - Form 8962 Annual/Monthly Premium Tax Credit

- (1) Error Code 274 generates when the Tax Period is 201412 or later and:
 - a. the taxpayer's amount for Annual Premium Tax Credit (line 11e/24) differs from the computer amount for Annual Total Premium Tax Credit, or
 - b. the taxpayer's amount for Monthly Premium Tax Credit (lines 12e - 23e and/or line 24) differs from the computer amount for Monthly Total Premium Tax Credit.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, EC 274, for the screen display of EC 274.

3.22.3.207.1
(11-08-2021)
Correction Procedures - EC 274

- (1) See IRM 3.12.3 for correction procedures.

3.22.3.207.2
(11-08-2021)
Allowable Taxpayer Notice Codes - EC 274

- (1) The following TPNCs are used for EC 274.

TPNC	Literal
***	Any previously assigned TPNC.
100	
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	We did not allow your personal exemption for your spouse. The SSN and/or name of your spouse is missing or does not match the records provided by the Social Security Administration.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

TPNC	Literal
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
784	We changed the monthly contribution amount on Form 8962, Premium Tax Credit, because you incorrectly calculated it in Part 1 - Annual and Monthly Contribution.
786	We changed the amount of total premium tax credit on line 24 of Form 8962, Premium Tax Credit, because you incorrectly calculated either the annual or monthly section of Part II (Column e), Premium Tax Credit Claim and Reconciliation of Advance Credit.
790	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your filing status is married filing separately.
795	We changed the amounts on your Form 8965, Part II, to match Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.208
(01-02-2015)
**Error Code 275 - Form
8962 Advanced Premium
Tax Credit Monthly
Payments**

- (1) Error Code 275 generates when Tax Period is 201412 or later and the taxpayer's amount for Annual/Monthly Premium Tax Credit (PTC) differs from computer amount for Advance PTC.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 275*, for screen display and correction procedures.

3.22.3.208.1
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 275**

- (1) The following TPNCs are used for EC 275.

TPNC	Literal
***	Any previously assigned TPNC.
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
787	We changed the amount of advance premium tax credit on line 25 of Form 8962, Premium Tax Credit, because you incorrectly calculated either the annual or monthly section of Part II (Column f), Premium Tax Credit Claim and Reconciliation of Advance Credit.
795	We changed the amounts on your Form 8965, Part II, to match Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.209
(01-02-2015)

**Error Code 276 - Form
8962 Advance Premium
Tax Credit Repayment**

- (1) Error Code 276 generates when Tax Period is 201412 or later and the entry for Advance Premium Tax Credit (PTC) Repayment does not match Computed PTC Repayment Amount.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 276*, for screen display and correction procedures.

3.22.3.209.1
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 276**

- (1) The following TPNCs are used for EC 276.

TPNC	Literal
***	Any previously assigned TPNC.
100	

TPNC	Literal
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	Your spouse's SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow exemption.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
789	We changed the amount of advance premium tax credit repayment you reported on your tax return because there was an error on Form 8962, Premium Tax Credit. The error was in one of the following: Computation of Part III, Repayment of Excess Advance Payment. Transfer of that amount to your tax return.
795	We changed the amounts on your Form 8965, Part II, to match the Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.210
(01-01-2015)
**Error Code 277/577 -
Foreign Tax Credit**

- (1) EC 277 generates when Foreign Tax Credit is not equal to Foreign Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 277* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.210.1
(01-01-2025)

Fields Displayed - EC 277

- (1) The following fields are displayed for EC 277.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
0521A	Taxpayer Advance Premium Tax Credit Repayment
0521A>	Computed APTC Repayment Amount
03TBC>	Income Tax Before Credits Computer
05301	Foreign Tax Credit
>>>>	Foreign Tax Credit Computer
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
S19NP	Section 19 Not Present

Note: The fields displayed for EC 577 will include a Clear Code field and 02NC> and all other fields will be the same as EC 277.

3.22.3.210.2
(01-01-2023)

Correction Procedures - EC 277

- (1) Earned Income is salaries and wages, commissions, bonuses, professional fees and tips, and other compensation received for personal services. In certain instances, the following types of income can be considered earned income: business profits, royalties and rents.
- (2) The taxpayer can't claim a foreign tax credit on Form 1116 for foreign tax that is allocable to amounts excluded from gross income under the foreign earned income exclusion (Form 2555), IRC 931 or IRC 933. Also, the taxpayer can't include this excluded income in the calculation of the foreign tax credit limitation.
- (3) If the amount on line 1a, Form 1116, is the same amount on line 26, Form 2555, Code & Edit will reduce the greater of line 42 or 45 of Form 2555 from line 1a Form 1116 and edit an amount. See chart below for correction procedures:

If	And	Then
Taxpayer claimed an amount in Schedule 3, line 1, Form 1040 or Form 1040-NR, (TY19, line 46 of Form 1040-NR) of	Form 1116 or similar statement is NOT attached	

#

If	And	Then
Taxpayer claimed an amount in Schedule 3, line 1, Form 1040 or Form 1040-NR, (TY19, line 46 of Form 1040-NR) of	Form 1116 or similar statement is NOT attached	SSPND 215.
Code & Edit "X'd" line 1a, Form 1116 and edited an amount next to line 1a, Form 1116	line 1, Schedule 3 has been "X'd" by Code & Edit	Enter the amount from line 1, Schedule 3 in Field 05301
Code & Edit "X'd" line 1a, Form 1116 and there is no amount next to line 1a, Form 1116	line 1, Schedule 3 has been "X'd" by Code & Edit	Assign TPNC 312
Field 05301 is not significant,		Enter the amount from line 35, Form 1116 (Foreign Tax Credit) in Field 05301. Note: If line 35 Form 1116 is blank, enter the amount from line 24 Form 1116 to Field 05301.

#3.22.3.210.3
(11-08-2021)**Allowable Taxpayer
Notice Codes - EC 277**

- (1) The following TPNCs are used for EC 277.

TPNC	Literal
	Any previously assigned TPNC
100	
200	We changed your total exemption amount on page 2 of your tax return because there was an error in the: Number of exemptions provided on Lines 6a - 6d and/or Computation of your total exemption amount. (Form 1040)
230	We found an error in the addition of your alternative minimum tax to your tentative tax on page 2 of your return. (Form 1040)

TPNC	Literal
231	We didn't allow part or all of the amount claimed as foreign tax credit on page 2 of your tax return. Foreign tax credit is limited to the total amount of your tentative minimum tax liability. (Form 1040)
513	We didn't allow the amount claimed as Foreign Tax Credit on your tax return. Form 1116, Foreign Tax Credit, was incomplete or not attached to your tax return.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income that is excluded on Form 2555/Form 2555-EZ.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.211
(01-01-2015)
**Error Code 278 -
Transcription in Dollars
Only, Adjusted Gross
Income and Child Care
Credit**

- (1) EC 278 generates when Form 2441 is present and not consistent with other data on the return. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 278*, for invalid conditions and correction procedures.

3.22.3.211.1
(01-01-2025)
**Fields Displayed - EC
278**

- (1) The following fields are displayed for EC 278.

1040-NR	Field Title
CL	Clear Code Field
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
05302	Child and Dependent Care Credit
05302>	Child and Dependent Care Credit Computer
21CCV	Child Care Credit Verified
94RCV	Refundable Child Care Credit Verified Amount

1040-NR	Field Title
01TXP	Tax Period

3.22.3.212
(11-03-2022)

**Error Code 279 Child
and Dependent Care
Credit Eligibility**

- (1) Error Code 279 generates when either of the following occurs
 - Child Care Provider SSN matches the primary, secondary, or dependent TIN

#

- (2) Refer to IRM 3.12.3, **Error Resolution, Individual Income Tax Returns, EC 279** and the correction procedures below for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.213
(01-01-2023)

**Error Code 280/580 -
Child and Dependent
Care Credit**

- (1) EC 280 generates when Child Care Credit and Child Care Credit Computer is not equal.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 280* and the correction procedures below for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.213.1
(01-01-2025)

**Fields Displayed - EC
280**

- (1) The following fields are displayed for EC 280.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01EXC	Exemption Code
94EXV	Exemption Code Verified
01RPC	Return Processing Code
01SPC	Special Processing Code
01ACD	Audit Code
02DTR	Dependent TIN Not Required
05302	Child and Dependent Care Credit
05302>	Child and Dependent Care Credit Computer
S21NP	Section 21 Not Present
21GC>	Gross Child and Dependent Care Computer
21MFS	Married Filing Separate Checkbox
21CPT	Child Care Provide TIN
21QI	Qualifying Individual Number
21CN1	Child Care Credit Dependent 1 Name Control

1040-NR	Field Title
>>>>	Child Care Credit Dependent 1 Name Control Computer
211DI	Child Care Credit Dependent 1 Disabled Indicator
21YB1>	Child Care Credit Dependent 1 NAP Date of Birth
21DD1>	Child Care Credit Dependent 1 NAP Date of Death
21NA1>	Child Care 1 NAP Access Indicator
21NR1>	Child Care 1 NAP EIF Response Indicator
21CC1>	Child Care Dependent 1 ITIN Status Code
21DS1	Child Care Credit Dependent 1 TIN
21CP1	Child Care Credit Dependent 1 Expense
21CN2	Child Care Credit Dependent 2 Name Control
>>>>	Child Care Credit Dependent 2 Name Control Computer
212DI	Child Care Credit Dependent 2 Disabled Indicator
21YB2>	Child Care Credit Dependent 2 NAP Date of Birth
21DD2>	Child Care Credit Dependent 2 NAP Date of Death
21NA2>	Child Care Credit 2 NAP Access Indicator
21NR2>	Child Care Credit 2 NAP EIF Response Indicator
21CC1>	Child Care Dependent 2 ITIN Status Code
21DS2	Child Care Credit Dependent 2 TIN
21CP2	Child Care Credit Dependent 2 Expense
2103	Qualified Expenses
2104	Primary Earned Income
2105	Secondary Earned Income
2106>	Child and Dependent Care Base Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
21PYE	Prior Year Expenses
>>>>	Prior Year Expenses Computer
2112	Dependent Care Employer Benefits
2116	Qualified Expenses Incurred Amount (Employer)
2125	Dependent Care Exclusions
21CCV	Child Care Credit Verified
21CSR	Dependent Child Care SSN Requirement
03TTX	Tentative Tax

1040-NR	Field Title
>>>>	Tentative Tax Computer
03TBC>	Income Tax Before Credits Computer
03TAX	Total Tax IMF
>>>>	Total Tax Computer
94RCV	Refundable Child Care Credit Verified
01TXP	Tax Period

Note: The fields displayed for EC 579 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 279.

3.22.3.213.2
(01-01-2023)
**Correction Procedures -
EC 280 and Form 1040
with Form 2555**

- (1) If the taxpayer is claiming a credit for child and dependent care expenses on Form 1040 and is excluding foreign earned income, follow these instructions:
 - a. If line 4 and 5 of Form 2441 are blank, figure earned income by subtracting the amount on line 45 of Form 2555 from the earned income reported on Form 1040 for each spouse.
 - b. If the taxpayer amount in Field 05302 is less than the amount generated in Field 05302>, enter the taxpayer's amount on line 2, Schedule 3 in Field 21CCV.

3.22.3.213.3
(01-01-2023)
**Correction Procedures -
EC 280 and Form
1040-NR**

- (1) Follow the correction procedures in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 279*. If a qualifying person claimed on Form 2441 was disallowed at EC 017 because the Child Care Dependent ITIN Status Code is "I" then assign TPNC 317 If the qualifying person claimed is a dependent on the return, or TPNC 646 if the qualifying person is not a dependent.

3.22.3.213.4
(01-01-2023)
**Allowable Taxpayer
Notice Codes - EC 280**

- (1) The following TPNCs are used for EC 280.

TPNC	Literal
	Any previously assigned TPNC.
100	
218	We computed your tax for you.
220	Recomputed your tax using the tax table, tax rate schedules, or capital gains tax computations. We were unable to accurately compute your tax on Form 8615, due to a math error found on another part of your tax return.
230	We found an error in the addition of your alternative minimum tax to your tentative tax on page 2 of your return.
232	Computed or transferred Form 2441 incorrectly.
233	No earned income, Form 2441.

TPNC	Literal
234	You failed to provide a correct Identifying Number (TIN) for your Care Provider on Form 2441. We disallowed your Credit for Child and Dependent Care Expenses accordingly. (Form 1040)
235	Since you did not include a Social Security number for your dependent(s), we did not allow your credit for Child Dependent Care.
236	Disallowed credit for prior year expenses on Form 2441. Missing dependent name, SSN or statement showing how you figured the credit.
237	Computed or transferred the Part III amount on Form 2441.
238	Disallowed credit for child and dependent care because spouse or dependent cannot be your care provider.
239	We didn't allow the Child and Dependent Care Credit because your filing status is married filing separately.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
562	No reply, number of months as student, disabled, or looking for work.
563	No reply, Form 2441.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
646	We didn't allow part or all of the amount claimed as credit for child and dependent care expenses on your tax return because one or more of the qualifying persons listed on Form 2441, Child and Dependent Care expenses, has an expired individual taxpayer identification number (ITIN).
706	We compared the Social Security numbers (SSN) shown on your tax return with records from the Social Security Administration. According to these records, the SSN shown on your tax return for you, your spouse, or one or more of the dependents belongs to a deceased person.
707	One or more of the dependents listed on your tax return who have a missing Social Security number are identified as being born and died during the tax period of the return. To claim a dependent as being born and died there must be proof of a live birth shown on an official document such as a birth certificate attached to the return. As a result, we disallowed certain credits claimed on your return.

TPNC	Literal
708	One or more of the dependents listed on your tax return was born after December 31st of the tax year for the return you filed. As a result, we disallowed certain credits claimed on your return.

TPNC	Literal
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income that is excluded on Form 2555/Form 2555-EZ.
317	Each exemption on your tax return must have a valid individual taxpayer identification number (ITIN) or other valid taxpayer identification number (TIN). One or more of your dependents has an expired ITIN. As a result, we didn't allow those exemptions on your tax return. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit (Form 1040-NR)
322	The individual taxpayer identification number (ITIN) for one or more of your dependents has expired. As a result, we disallowed certain credits claimed on your return. This change may affect credit for child and dependent care expenses and credit for other dependents. (Form 1040-NR)
422	Each dependent listed on your tax return must have a valid Social Security number (SSN) or individual taxpayer identification number (ITIN). For one or more of your dependents, the SSN or ITIN was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.214
(03-15-2017)
Error Code 281-285

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns* for screen displays, invalid conditions and allowable TPNCs.

3.22.3.215
(03-20-2024)
Error Code 286 - Retirement Savings Contribution Credit

- (1) EC 286 generates when the Retirement Savings Contribution is not equal to Retirement Savings Contribution Computer and a math error is present.
- (2) If the taxpayers modified adjusted gross income (MAGI) doesn't match the computers underprint for field 03AGI then manually compute MAGI to determine the correct amount of Retirement Savings Credit. Enter the correct amount of Retirement Savings Credit in to Field 94RTV. To determine the

modified adjusted gross income (MAGI) limitation to Retirement Savings Contribution Credit add any of the following income exclusions on the return to adjusted gross income (Field 03AGI):

1. Foreign earned income exclusion from Form 2555
2. Puerto Rico income excluded by IRC 933
3. Income excluded from American Samoa by IRC 931

Note: When Form 2555 is attached Sections 34/35 must be checked for transcription errors at Fields 3445/3545 and 3450/3550. When Form 2555-EZ is attached the line 18 amount must be entered in Fields 3445/3545.

- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 286* for invalid conditions, correction procedures and allowable TPNs.

3.22.3.215.1
(01-01-2023)
**Fields Displayed - EC
286**

- (1) The following fields are displayed for EC 286.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01PS	Primary SSN
01PYB>	Primary Year of Birth
94PAV	Primary Age Verified
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
94TTV	Tentative Tax Verified
03TBC>	Income Tax Before Credits Computer
S54NP	Section 54 Not Present
5406A	Primary Contribution
5406B	Secondary Contribution
05304	Retirement Savings Contributions Credit
>>>>	Retirement Savings Contributions Credit Computer
94RTV	Retirement Savings Contributions Credit Verified
03NRC	Total Statutory Credits
>>>>	Total Statutory Credits Computer
03TAX	Total Tax IMF
>>>>	Total Tax Computer

Note: The fields displayed for EC 586 will include a Clear Code field and 02NC> and all other fields will be the same as EC 286.

3.22.3.216
(01-01-2024)
**Error Code 287 - TIN
Validation and Eligibility
of Dependents for Child
Tax Credit, Additional
Child Tax Credit, and
Credit for Other
Dependents**

- (1) EC 287 generates for ERS validation of the dependents claimed for Child Tax Credit (CTC) and Additional Child Tax Credit (ACTC) for all tax years, and for validation of the dependents claimed for Credit for Other Dependents (ODC) in TY 201812 and later and for Refundable Child (RCTC) Tax Credit in TY 202112.

Note: EC 287 doesn't generate for Form 1040-SS or Form 1040-SS (sp). Instructions for TIN validation and qualified dependents are in EC 340 for these forms.

- (2) Refer to IRM 3.12.3, *EC 287*, for invalid conditions, and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures.

3.22.3.216.1
(01-01-2026)
**Fields Displayed - EC
287**

- (1) The following fields are displayed FY EC 287.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01EXC	Exemption Code
94EXV	Exemption Code Verified
01CCC	Computer Condition Code
01RPC	Returns Processing Code
01SPC	Special Processing Code
MEFI>	MeF Imperfect Return Indicator
T-DAT>	Tentative Return Due Date Computer
01PS	Primary SSN
01NA1>	NAP Access Indicator
01PIC>	Primary ITIN Status Code
01PAD>	Primary NAP TIN Assignment Date
01T6E	Child Tax Credit Under Six Total Eligible Computer Number
946EV	Child Tax Credit Under Six Total Eligible Verified Number
01TCE>	Child Tax Credit Total Eligible Computer Number
94CEV	Child Tax Credit Total Eligible Verified Number
01TDE>	Other Dependent Credit Total Eligible Computer Number

1040-NR	Field Title
94DEV	Other Dependent Credit Eligible Verified Number
02DTR	Dependent SSN Not Required Code
02MT4	More Than 4 Dependents
02CT1	Child 1 Child Tax and Other Dependent Credit Indicator
02YB1>	Child 1 Year of Birth
02DS1	Dependent 1 SSN
02NP1>	Dependent 1 NAP Access Indicator
02DC1>	Dependent 1 ITIN Status Code
02AD1>	Dependent 1 TIN Assignment Date
02CT2	Child 2 Child Tax and Other Dependent Credit Indicator
02YB2>	Child 2 Year of Birth
02DS2	Dependent 2 SSN
02NP2>	Dependent 2 NAP Access Indicator
02DC2>	Dependent 2 ITIN Status Code
02AD2>	Dependent 2 TIN Assignment Date
02CT3	Child 3 Child Tax and Other Dependent Credit Indicator
02YB3>	Child 3 Year of Birth
02DS3	Dependent 3 SSN
02NP3>	Dependent 3 NAP Access Indicator
02DC3>	Dependent 3 ITIN Status Code
02AD3>	Dependent 3 TIN Assignment Date
02CT4	Child 4 Child Tax and Other Dependent Credit Indicator
02YB4>	Child 4 Year of Birth
02DS4	Dependent 4 SSN
02NP4>	Dependent 4 NAP Access Indicator
02DC4>	Dependent 4 ITIN Status Code
02AD4>	Dependent 4 TIN Assignment Date
03AGI	Adjusted Gross Income Amount
>>>>	Adjusted Gross Income Amount Computer
EXADV>	Excess Advance Child Tax Credit Payments Computer

1040-NR	Field Title
98PAA>	Primary NAP Advance Additional Child Tax Credit Amount
98PAN	Primary NAP Advance Additional Child Tax Credit Dependents Number
98SAA>	Secondary NAP Advance Additional Child Tax Credit Amount
98SAN>	Secondary NAP Advance Additional Child Tax Credit Dependents Number
03TBC>	Income Tax Before Credits Computer
03COD	Child and Other Dependent Credit Amount
>>>>	Child and Other Dependent Credit Computer Amount
03COD>	Gross Child and Other Dependent Credit Computer
03ACT	Additional Child Tax Credit
>>>>	Additional Child Tax Credit Computer Amount
03ACT>	Gross Additional Child Tax Credit Computer Amount

3.22.3.216.2
(01-01-2019)

**Correction Procedures -
EC 287 - Form 1040-NR**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Dependents claimed for Child Tax Credit (CTC), Refundable Child Tax Credit, Additional Child Tax Credit (ACTC), and Credit for Other Dependent (ODC) are restricted based on the taxpayer's country of residence on Form 1040-NR. Determine the country of residence using taxpayer information on Form 1040-NR as described at IRM 3.22.3.11.3. Use the following table to determine the allowable dependents based on country of residence:

If	Then
The taxpayer is a U.S. national or a resident of: <ul style="list-style-type: none"> • Canada • Mexico • India and claiming a dependent,	Dependents can be claimed for CTC, ACTC, and ODC.
The taxpayer is a resident of South Korea,	Child(ren) who lived in the United States can be claimed, but not other dependents, for CTC, ACTC, and ODC.
All others, or the country of residence can't be determined,	No dependents can be claimed for CTC, ACTC, or ODC.

3.22.3.216.2.1
(01-01-2026)

**Correction Procedures
EC 287 - Form 1040-NR
TY 201812 and Later**

- (1) Beginning with TY 2018, eligible taxpayers may claim the Child Tax Credit (CTC), the Additional Child Tax Credit (ACTC), refundable Child Tax Credit (RCTC) and the Credit for Other Dependents (ODC) for qualified dependents on Form 1040-NR. For TY22 and later and TY20 and prior CTC and ACTC is allowed only for dependents who have a Social Security number (SSN) and are under 17 years of age. For TY21 CTC, RCTC, and ACTC is allowed only for dependents who have a Social Security number (SSN) and are under 18 years of age. If a dependent claimed for CTC doesn't have a SSN, but does have a valid ITIN, or is over 16 (17 for TY21) years of age, the computer amount for the combined Child Tax and Other Dependents Credit is calculated by disallowing CTC but allowing ODC for that dependent.
- (2) If the taxpayer checks the Child Tax Credit box for a dependent on page 1 of Form 1040-NR, the value in Field 02CT1 is "1". If the Credit for Other Dependents box is checked, Field 02CT1 is "2". If the taxpayer checks both boxes in error, then Field 02CT1 is transcribed as "1". Fields 02CT2/3/4 are coded in the same way.
- (3) Before following any of the procedures below, determine if the taxpayer is allowed dependents based on country of residence using the guidance at IRM 3.22.3.216.2.
- (4) If more than 4 dependents are claimed, follow the procedures in IRM 3.12.3, EC 287 before clearing EC 287 and assigning TPNCs.
- (5) T-DAT>, the Tentative Due Date Computer, is April 18th for Doc Code 73 (Form 1040-NR with wages), and June 15th for Doc Code 72 (Form 1040-NR no wages).

Exception: For the current year, T-DAT> will be the approved extension date if the taxpayer filed a timely extension.

- (6) Follow these procedures when determining qualified dependents for CTC or ODC. For prior year returns use IMFOLT to check for a TC 460 on the tax year. If the TC 460 is present the TIN assignment date must be prior to the TC 460 date to be valid for the tax year.

If	Then	Assign this TPNC at EC 290 or EC 344 or EC 345
a) Dependents claimed for CTC or ODC are not allowed based on country of residence,	GTSEC 01 and delete the name and TIN of all dependents from fields displayed.	TPNC 412
b) Primary TIN is invalid or missing, or IRSN,	Enter RPC "O"	TPNC 421
c) ITIN Status Code for the primary in Field 01PIC> is "I",		TPNC 323

If	Then	Assign this TPNC at EC 290 or EC 344 or EC 345
d) TY 2022 return, Primary TIN assign- ment date is after April 18, 2023		TPNC 497
e) <ul style="list-style-type: none"> • TY 2021 return, Primary TIN assign-ment date is on or before April 18, 2022. • TY 2020 return, Primary TIN assign-ment date is on or before May 17, 2021 • TY 2019 return, Primary TIN assign-ment date is on or before July 15, 2020 • TY 2018 return Primary TIN assignment date is on or before the date in Field T-DAT> Exception: If TC 460 is present on the account the TIN is valid if assign-ment date is prior to TC 460 date.	Determine the total number of eligible dependents for ACTC/RCTC claimed and enter in Field 94CEV. Determine all eligible dependents under age 6 claimed for RCTC and enter in Field 946EV and total number of eligible dependents for ODC claimed and enter in Field 94DEV. Note: Include the dependent with a TIN as-signment date on or before the due date of the return or the TC 460 date in the above count.	

If	Then	Assign this TPNC at EC 290 or EC 344 or EC 345
f) <ul style="list-style-type: none"> • TY 2021 return Primary TIN assignment date is after April 18, 2022 • TY 2020 return Primary TIN assignment date is after May 17, 2021, • TY 2019 Primary TIN assignment date is after July 15, 2020, • TY 2018 Primary TIN assignment date is after the date in Field T-DAT> 1. TC 460 isn't present on IMFOLT of the tax year, 2. TC 460 is present on IMFOLT of the tax year and TIN assignment date is after the TC 460 date,		TPNC 497
g) Dependent(s) has an expired ITIN, and is claimed for CTC,		TPNC 425
h) Dependent(s) has an expired ITIN, and is claimed for ODC,		TPNC 322

If	Then	Assign this TPNC at EC 290 or EC 344 or EC 345
<p>i)</p> <ul style="list-style-type: none"> TY 2021 return, Dependent TIN assignment date is on or before April 18, 2022 TY 2020 return, Dependent TIN assignment date is on or before May 17, 2021 TY 2019 return, Dependent TIN assignment date is on or before July 15, 2020 TY 2018 return Primary TIN assignment date is on or before the date in Field T-DAT> <p>Exception: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.</p>	<p>Determine the total number of eligible dependents for ACTC/RCTC claimed and enter in Field 94CEV. Determine all eligible dependents under age 6 claimed for RCTC and enter in Field 946EV and total number of eligible dependents for ODC claimed and enter in Field 94DEV.</p> <p>Note: Include the dependent with a TIN assignment date on or before the due date of the return or the TC 460 date in the above count.</p>	

If	Then	Assign this TPNC at EC 290 or EC 344 or EC 345
j) <ul style="list-style-type: none"> • TY 2021 return, Dependent TIN assignment date is after April 18, 2022. • TY 2020 return, Dependent TIN assignment date is after May 17, 2021 • TY 2019 Dependent TIN assignment date is after July 15, 2020, • TY 2018 Primary TIN assignment date is after the date in Field T-DAT> 1. TC 460 isn't present on IMFOLT of the tax year, 2. TC 460 is present on IMFOLT of the tax year and TIN assignment date is after the TC 460 date,		TPNC 497
k) Dependent(s) TIN is missing or invalid,		TPNC 422
l) Dependent(s) has a valid ITIN, that is not expired, and is claimed for CTC,		TPNC 256
m) Dependent(s) has a valid TIN and is over 17 years old (16 years old for TY 20 and prior), and is claimed for CTC,		TPNC 256

3.22.3.216.2.2

(01-01-2026)

**Correction Procedures
EC 287 - Form 1040-NR
TY 201712 and Prior**

- (1) Before following any of the procedures below, determine if the taxpayer is allowed dependents based on country of residence using the guidance at IRM 3.22.3.216.2.
- (2) If the taxpayer checks the Child Tax Credit box for a dependent on line 7(c) of Form 1040-NR, then the value in Field 02CT1 is "1". Credit for Other Dependents can't be claimed in TY 2017 and prior.
- (3) If more than 4 dependents are claimed, follow the procedures in IRM 3.12.3, *EC 287* before clearing EC 287 and assigning TPNCs.
- (4) T-DAT>, the Tentative Due Date Computer, is April 18th for Doc Code 73 (Form 1040-NR with wages) for all years, and June 17th for Doc Code 72 (Form 1040-NR no wages). If the TIN assignment date in Field 01PAD> is after the date in Field T-DAT> on a prior year return, then use IMFOLT to search for a TC 460 for the tax year of the return.
- (5) Follow these procedures when determining qualified dependents for Child Tax Credit (CTC) or ACTC.

If	Then	Assign this TPNC when EC 290 or EC 344 or EC 345 generates
Dependent(s) claimed for CTC is not allowed based on country of residence,	GTSEC 01 and delete the name and TIN of all dependents from fields displayed.	TPNC 423
Primary TIN is invalid or missing, or IRSN,	Enter RPC "O"	TPNC 452
ITIN Status Code for the primary in Field 01PIC> is "I",		TPNC 318
a. Primary TIN assignment date is after the date in Field T-DAT>, b. TC 460 isn't present on IMFOLT of the tax year,		TPNC 495

If	Then	Assign this TPNC when EC 290 or EC 344 or EC 345 generates
a. Primary TIN assignment date is after the date in Field T-DAT>, b. TC 460 is present on IMFOLT of the tax year, c. TIN assignment date is after the TC 460 date,		TPNC 495
a. Primary TIN assignment date after the date in Field T-DAT>, b. TC 460 is present on IMFOLT of the tax year, and c. TIN assignment date is before the TC 460 date,	Determine the number of eligible children for CTC claimed and enter the number in Field 94CEV.	
Dependent(s) has an expired ITIN,		TPNC 317
Dependent(s) TIN missing or doesn't match the name control,		TPNC 605
a. Dependent(s) TIN assignment date is after the date in Field T-DAT>, b. TC 460 isn't present on IMFOLT of the tax year,		TPNC 495

If	Then	Assign this TPNC when EC 290 or EC 344 or EC 345 generates
a. Dependent(s) TIN assignment date is after the date in Field T-DAT>, b. TC 460 is present on IMFOLT of the tax year, and c. TIN assignment date is after the TC 460 date,		TPNC 495
a. Dependent(s) TIN assignment date after the date in Field T-DAT>, b. TC 460 is present on IMFOLT of the tax year, and c. TIN assignment date is before the TC 460 date,	If dependent(s) is 16 or under, include child(ren) in the total number of dependents eligible for CTC and enter the total in Field 94CEV.	
Dependent isn't 16 or under in age,		TPNC 251

3.22.3.216.3
(01-01-2023)

**Correction Procedures
EC 287 - Form 1040 With
Income Exclusion**

- (1) Taxpayers who file Form 1040 and exclude foreign earned income with Form 2555 are eligible for Refundable Child Tax Credit in TY21 only when they have checked an abode box on line 13, Form 8812. If the taxpayer does not check the abode box they aren't eligible for Refundable Child Tax Credit (RCTC) in TY 2021 or Additional Child Tax Credit but they are eligible for Child Tax Credit. For all other tax years a taxpayer with a Form 2555 exclusion is not eligible for Additional Child Tax Credit (ACTC), but they are eligible for Child Tax Credit. Beginning in TY 2018, they may also claim Credit for Other Dependents.

Exception: Taxpayers excluding foreign earned income in TY 2014 and prior years are eligible for ACTC. See instructions below specific to prior year returns.

- (2) If the taxpayer is **excluding foreign earned income and claiming RCTC with no abode box checked on line 13, Form 8812 or claiming ACTC**, the computer underprint for Field 03ACT will be \$0. Since ACTC is based on the

calculation of CTC and ODC credit, the combined CTC/ODC credit amount on the return with this error may be incorrect.

Caution: Follow all the instructions in EC 290 before assigning TPNCs for TIN validation errors detected in EC 287.

3.22.3.216.3.1
(01-01-2023)

**Correction Procedures
EC 287 - Form 1040 TY
201812 and Later**

- (1) Beginning with TY 2018, taxpayers may claim the Child Tax Credit (CTC), the Refundable Child Tax Credit (RCTC), the Additional Child Tax Credit (ACTC), and the Credit for Other Dependents (ODC) for qualified dependents on Form 1040. For TY21 CTC, RCTC, and ACTC is allowed only for dependents who are under 18 years of age and have a Social Security number (SSN) that was issued before the due date of the return for the tax year the CTC or ACTC is claimed. For TY22 and later and TY 20 and prior CTC and ACTC is allowed only for dependents who are under 17 years of age and have a Social Security number (SSN) that was issued before the due date of the return for the tax year the CTC or ACTC is claimed. If a dependent claimed for CTC doesn't have a SSN, but does have a valid ITIN, or if the dependent is over 16 (17 for TY21) years of age, the computer amount for the combined Child Tax and Other Dependents Credit is calculated by disallowing CTC but allowing ODC for that dependent.
- (2) If the taxpayer checks the Child Tax Credit box for a dependent on page 1 of Form 1040, the value in Field 02CT1 is "1". If the Credit for Other Dependents box is checked, Field 02CT1 is "2". If the taxpayer checks both boxes in error, then Field 02CT1 is transcribed as "1". Fields 02CT2/3/4 are coded in the same way.
- (3) If more than 4 dependents are claimed follow the procedures in IRM 3.12.3, *EC 287* before clearing EC 287 and assigning TPNCs.
- (4) Follow the instructions in IRM 3.12.3, *EC 287* to determine the qualified dependents for CTC or ODC.

3.22.3.216.3.2
(01-01-2023)

**Correction Procedures
EC 287 - Form 1040 TY
201712 and Prior**

- (1) If more than 4 dependents are claimed follow the procedures in IRM 3.12.3, *EC 287* before clearing EC 287 and assigning TPNCs.
- (2) Follow the instructions in IRM 3.12.3, *EC 287* to determine the qualified dependents for CTC or ODC.
- (3) **TY 2014 and Prior** - Beginning with TY 2015, a taxpayer's claim for ACTC is disallowed if foreign earned income is excluded with Form 2555. Prior to TY 2015, ACTC was allowable for these taxpayers with qualifying children, however computer programming sets the underprint to \$0 for all tax years.

Caution: On returns for TY 2014 and prior, a manual calculation of CTC and ACTC will be required before TPNCs are assigned at EC 290 or EC 340.

3.22.3.216.4
(01-02-2020)

**Correction Procedures
EC 287 - Dual Status
Returns**

- (1) Dual Status Taxpayers can claim Child Tax Credit and Credit for Other Dependents using the same rules that apply to resident aliens. A taxpayer may file Form 1040-NR or Form 1040 based on their resident status on the last day of the tax year but is allowed to claim the CTC and ODC following the Form 1040 rules for the dual status tax year.
- (2) Refer to EC 287 at IRM 3.22.3.216.3 and EC 290 at IRM 3.22.3.226.3 in addition to IRM 3.12.3, *EC 287 and EC 290*, correction procedures.

3.22.3.217
(01-01-2019)
Error Code 288/588

- (1) EC 288/588 is reserved.

3.22.3.218
(01-01-2023)
Error Code 289 - Child Tax Credit and Credit for Other Dependents With Other Credits Present

- (1) EC 289 generates when Additional Child Tax Credit (ACTC) and Total Children Eligible for Child Tax Credit are present, and Child and Other Dependent Tax Credit Verified or Additional Child Tax Credit Verified are not present, and Form 3800, Form 8801, and Other Credits, or Residential Energy Credit amounts are present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 289*, for invalid conditions and correction procedures.

Caution: For TY 2015 and later, ACTC is not allowed on Form 1040 when the taxpayer is using Form 2555 to exclude foreign earned income. Don't enter any amount in Field 94ACV on a return that fits this criteria. However, Child Tax Credit is allowed. See the instructions in EC 287 at IRM 3.22.3.216 and EC 290 at IRM 3.22.3.226 before using Field 94CDV.

3.22.3.218.1
(01-01-2026)
Fields Displayed - EC 289

- (1) The following Fields are displayed for EC 289.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01SPC	Special Processing Code
01T6E>	Child Tax Credit Under Six Total Eligible Computer Number
01TCE>	Child Tax Credit Total Eligible Computer Number
01TDE>	Other Dependent Credit Computer Number
01EXC	Exemption Codes
94EXV	Exemption Verified
02CT1	Child Tax and Other Dependent Credit Indicator 1
02CT2	Child Tax and Other Dependent Credit Indicator 2
02CT3	Child Tax and Other Dependent Credit Indicator 3
02CT4	Child Tax and Other Dependent Credit Indicator 4
03TBC>	Income Tax Before Credits Computer
05301	Foreign Tax Credit
>>>>	Foreign Tax Credit Computer
05302	Child and Dependent Care Credit
05302>	Child and Dependent Care Credit Computer

1040-NR	Field Title
05304	Retirement Savings Contribution Credit
>>>>	Retirement Savings Contribution Credit Computer
03COD	Child and Other Dependent Credit Amount
>>>>	Child and Other Dependent Credit Computer Amount
0505A	Residential Clean Energy Credit
>>>>	Residential Clean Energy Credit Computer Amount
0505B	Energy Efficient Home Improvement Credit Amount
>>>>>	Energy Efficient Home Improvement Credit Computer Amount
05ADC	Adoption Credit
05ADC>	Adoption Credit Computer
05CVC	Clean Vehicle Credit Amount (Form 8936)
05CVC>	Clean Vehicle Credit Amount Computer
05MIC	Mortgage Certificate Credit
>>>>>	Mortgage Certificate Credit Computer
05POC	Previously Owned Clean Vehicles Credit
05POC>	Previously Owned Clean Vehicles Credit Computer Amount
05OSC	Other Statutory Credit
05ONC	Total Other Nonrefundable Credits
03ACT	Additional Child Tax Credit
>>>>	Additional Child Tax Credit Computer

3.22.3.219
(01-01-2024)
**Error Code 291/591 -
Residential Energy
Credit**

- (1) EC 291 generates when Residential Energy Credit Taxpayer does not equal Residential Energy Credit Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 291* for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.220
(11-13-2025)
**Error Code 292/592 -
Energy Efficient Home
Improvement Credit**

- (1) EC 292 generates when Energy Efficient Home Improvement Credit Taxpayer does not equal Energy Efficient Home Improvement Credit.
- (2) Refer to IRM 3.12.3, **Error Resolution, Individual Income Tax Returns, EC 292** for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.221
(01-01-2026)

**Error Code 293/593 -
Mortgage Interest Credit**

- (1) EC 293 generates when Mortgage Interest Credit is not equal to Mortgage Interest Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 293* for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.221.1
(01-01-2026)

**Allowable Taxpayer
Notice Codes - EC 293**

- (1) The following TPNCs are used for EC 293.

TPNC	Literal
	Any previously assigned TPNC
100	
111	Your return has been converted to a Form 1040.
218	We computed your tax for you.
220	We refigured your tax on your tax return using the tax table, tax rate schedules, or capital gains tax computations. Because of an error on another part of your tax return we were unable to compute your tax on Form 8615. (Form 1040-NR)
230	We found an error in the addition of your alternative minimum tax to your tentative tax on your return.
253	We changed the amount claimed as Mortgage Interest Credit because there was an error.
257	Disallowed mortgage interest credit. The amount of mortgage interest paid from Form 1098 should be reported on Schedule A.
266	We changed the total credits on your tax return. Some credits are limited to the difference between your tax before credits and tentative minimum tax from Form 6251, Alternative Minimum Tax-Individuals. The limitation to your credit was not applied or was applied incorrectly.
267	We changed total credits on your tax return. Although you were not liable for, Alternative Minimum Tax-Individuals your credits were still subject to the limitation.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs.

3.22.3.222
(01-01-2015)
**Error Code 294/594 -
Adoption Credit**

- (1) EC generates when Adoption Credit Amount is not equal to Adoption Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 294* for invalid conditions, correction procedures and allowable TPNs.

3.22.3.222.1
(01-01-2023)
**Fields Displayed - EC
294**

- (1) The following fields are displayed for EC 294.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
05ADC	Adoption Credit Amount
38GC>	Gross Adoption Credit Computer Amount
05ADC>	Adoption Credit Computer
38ACV	Adoption Credit Verified Amount (PY)
38NC1	Form 8839 Adoptee Name Control-1
38YB1	Form 8839 Adoptee Year of Birth-1
38DI1	Form 8839 Adoptee Disabled Indicator-1
38TN1	Form 8839 Adoptee TIN-1
38NC2	Form 8839 Adoptee Name Control-2
38YB2	Form 8839 Adoptee Year of Birth-2
38DI2	Form 8839 Adoptee Disabled Indicator-2
38TN2	Form 8839 Adoptee TIN-2
38NC3	Form 8839 Adoptee Name Control-3
38YB3	Form 8839 Adoptee Year of Birth-3
38DI3	Form 8839 Adoptee Disabled Indicator-3
38TN3	Form 8839 Adoptee TIN-3
38PY1	Form 8839 Child 1 Prior Year Adoption Amount
38PY2	Form 8839 Child 2 Prior Year Adoption Amount
38PY3	Form 8839 Child 3 Prior Year Adoption Amount
38QE1	Form 8839 Qualified Adoption Expenses Amount-1
38QE2	Form 8839 Qualified Adoption Expenses Amount-2
38QE3	Form 8839 Qualified Adoption Expenses Amount-3
38CF	Form 8839 Carryforward Amount
38TEB	Form 8839 Total Employee Benefits Amount
38EEB	Form 8839 Employee Excluded Benefit Amount

1040-NR	Field Title
38ETB	Form 8839 Employer Taxable Benefits Amount
38AAI	Form 8839 Additional Adoptee Indicator
01ACD	Audit Code Field
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
94TTV	Tentative Tax Verified
03TBC>	Income Tax Before Credits Computer
03TAX	Total Tax IMF
>>>>	Total Tax Computer
S38NP	Section 38 Not Present

Note: The fields displayed for EC 594 will include a Clear Code field and 02NC> and all other fields will be the same as EC 294.

3.22.3.222.2
(04-20-2022)

**Correction Procedures -
Adoption Credit and
Form 1040 with Form
2555 (EC 294)**

- (1) TY 2016 and later - The Modified Adjusted Gross Income (MAGI) on line 7 of Form 8839, *Qualified Adoption Expenses*, is calculated by adding the total foreign earned income exclusion amount from Form 2555 to adjusted gross income (AGI). If the taxpayer used the amount for AGI on Form 1040, or otherwise made an error in calculating the MAGI, assign TPNC 254.
- (2) TY 2015 and prior - If the taxpayer filed a Form 2555 the computer may not be able to compute the Adoption Credit correctly. When computing Modified Adjusted Gross Income (MAGI) for line 7 of Form 8839 taxpayers are instructed to increase the amount of Form 1040 AGI by any amounts from:
 - Form 2555, lines 45 and 50
 - Form 4563, line 15.

Manually compute Adoption Credit using the correct MAGI calculation for line 7 and enter the correct amount for Adoption Credit in Field 38ACV. If EC 294 generates assign TPNC 254.

3.22.3.223
(01-01-2015)

**Error Code 296 -
Questionable Adoption
Credit**

- (1) EC 296 generates when Adoption Credit Amount Computer is significant and other data on Form 8839 is inconsistent.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 296*, for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.223.1
(01-01-2026)

**Fields Displayed - EC
296**

- (1) The following fields are displayed for EC 296.

1040-NR	Field Title
CL	Clear Code Field
01FSC	Filing Status Code

1040-NR	Field Title
01TXP	Tax Period
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
03TBC>	Income Tax Before Credits Computer
05ADC	Adoption Credit Amount
38GC>	Gross Adoption Credit Computer Amount
05ADC>	Adoption Credit Computer Amount
38ACV	Adoption Credit Verified (PY)
38NC1	Form 8839 Child 1 Name Control
38YB1	Form 8839 Child 1 Year of Birth
38DI1	Form 8839 Child 1 Disabled Indicator
38TN1	Form 8839 Child 1 SSN
38NC2	Form 8839 Child 2 Name Control
38YB2	Form 8839 Child 2 Year of Birth
38DI2	Form 8839 Child 2 Disabled Indicator
38TN2	Form 8839 Child 2 SSN
38NC3	Form 8839 Child 3 Name Control
38YB3	Form 8839 Child 3 Year of Birth
38DI3	Form 8839 Child 3 Disabled Indicator
38TN3	Form 8839 Child 3 SSN
38PY1	Form 8839 Child 1 Prior Year Adoption Amount
38PY2	Form 8839 Child 2 Prior Year Adoption Amount
38PY3	Form 8839 Child 3 Prior Year Adoption Amount
38QE1	Form 8839 Qualified Adoption Expenses Amt 1
38QE2	Form 8839 Qualified Adoption Expenses Amt 2
38QE3	Form 8839 Qualified Adoption Expenses Amt 3
38TA1	Form 8839 Child 1 Total Adoption Credit Amount
38TA2	Form 8839 Child 2 Total Adoption Credit Amount
38TA3	Form 8839 Child 3 Total Adoption Credit Amount
38TEB	Form 8839 Employer Provided Adoption Benefits Amount
38EB1	Form 8839 Child 1 Excluded Benefits
38EB2	Form 8839 Child 2 Excluded Benefits
38EB3	Form 8839 Child 3 Excluded Benefits

1040-NR	Field Title
38EEB	Form 8839 Employer Provided Excluded Benefits Amount
38ETB	Form 8839 Employer Provided Taxable Benefits Amount
02DS1	Dependent 1 SSN
02DN1	Dependent 1 Name Control
>>>>	Dependent 1 NAP Name Control
02NP1>	Dependent 1 NAP access Indicator
02DS2	Dependent 2 SSN
02DN2	Dependent 2 Name Control
>>>>	Dependent 2 NAP Name Control
02NP2>	Dependent 2 NAP Access Indicator
02DS3	Dependent 3 SSN
02DN3	Dependent 3 Name Control
>>>>	Dependent 3 NAP Name Control
02NP3>	Dependent 3 NAP access Indicator
02DS4	Dependent 4 SSN
02DN4	Dependent 4 Name Control
>>>>	Dependent 4 NAP Name Control
02NP4>	Dependent NAP access Indicator-4

3.22.3.224
(01-01-2026)
Error Code 297 - Motor Vehicle Credits Form 8936

- (1) EC 297 generates when Form 8936 Refer to IRM 3.12.3, **Error Resolution, Individual Income Tax Returns, EC 297**, for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.225
(01-01-2026)
Error Code 298 - Credits From Form 3800, Form 8801 and Other Credits

- (1) EC 298 generates when Form 3800, Form 8801 or Other Credits is significant and Credit for Elderly, Adoption Credit, General Business Credit, Mortgage Certificate Credit, Empowerment Zone Employment Credit, Tentative Empowerment Zone Employment Credit, Credit for Prior Year Minimum Tax, Alternative Motor Vehicle Personal Use Credit, Qualified Zone Academy Bond Credit or Credit for Alcohol Used are not significant. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 298*, for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.225.1
(01-01-2026)

**Error Code 298 - Form
1040-NR**

- (1) Follow the IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 298*, instructions for all credits claimed except for the credits listed below.

If	Then
The taxpayer has entered an amount for Education Credit (Form 8863) on line 3, Schedule 3 (TY19, line 51, Form 1040-NR), Note: This also applies to dual-status filers	<ol style="list-style-type: none"> 1. Delete the entry wherever reported. 2. Assign TPNC 424.
The taxpayer has entered an amount for Credit for the Elderly and Disabled (Schedule R),	<ol style="list-style-type: none"> 1. Delete the entry wherever reported. 2. Assign TPNC 307.

3.22.3.225.2
(01-01-2026)

**Allowable Taxpayer
Notice Codes - EC 298**

- (1) The following TPNCs are used for EC 298.

TPNC	Literal
	Any previously assigned TPNC
100	
111	Your return has been converted to a Form 1040.
218	We computed your tax for you.
230	We found an error in the addition of your alternative minimum tax to your tentative tax on your return.
257	Disallowed mortgage interest credit. The amount of mortgage interest paid from Form 1098 should be reported on Schedule A.
307	We cannot allow the amount claimed for the Credit for the Elderly or the Disabled from Schedule R. Nonresident aliens are not eligible for this credit. (Form 1040-NR)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
503	We changed the nonrefundable credits on your tax return because you either didn't complete Schedule 3, Additional Credits and Payments, or you didn't attach it to your tax return.
522	We didn't allow the amount claimed as alternative motor vehicle credit on your tax return because Form 8910, Alternative Motor Vehicle Credit, was incomplete or not attached to your tax return.

TPNC	Literal
523	We didn't allow the amount claimed as qualified plug-in electric drive motor vehicle credit on your tax return because Form 8936, Clean Vehicle Credits, incomplete or not attached to your tax return.
524	We didn't allow the amount claimed as qualified electric vehicle credit on your tax return because Form 8834, Qualified Electric Vehicle Credit, was incomplete or not attached to your tax return.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
572	We didn't allow all or part of the amount claimed as Residential Energy Credits. Credit is limited to the total amount of tentative tax.

3.22.3.226
(01-01-2026)

Error Code 299 - Child Tax Credit and Credit for Other Dependents

- (1) EC 299 generates when Child Tax Credit and Credit for Other Dependents is not equal to Child Tax Credit and Other Dependent Credit Computer, and a math error is present.
- (2) Refer to IRM 3.12.3 for invalid conditions. Refer to both IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 299* and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.226.1
(01-01-2026)

Fields Displayed - EC 299

- (1) The following fields are displayed for EC 299.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01PS	Primary TIN
01EXC	Exemption Code
94EXV	Exemption Code Verified
01RPC	Returns Processing Code
01SPC	Special Processing Code
T-DAT>	Tentative Return Due Date Computer
01PIC>	Primary ITIN Status Code
01PAD>	Primary NAP TIN Assignment Date
01TCE>	Child Tax Credit Total Eligible Computer Number

1040-NR	Field Title
94CEV	Child Tax Credit Total Eligible Verified Number
01TDE>	Other Dependent Credit Total Eligible Computer Number
94DEV	Other Dependent Credit Total Eligible Verified
02MT4	More Than 4 Dependents
02CT1	Child 1 Child Tax and Other Dependent Credit Indicator
02YB1>	Child 1 Year of Birth
02DS1	Dependent 1 SSN
02NP1>	Dependent 1 NAP Access Indicator
02DC1>	Dependent 1 ITIN Status Code
02AD1>	Dependent 1 TIN Assignment Date
02CT2	Child 2 Child Tax and Other Dependent Credit Indicator
02YB2>	Child 2 Year of Birth
02DS2	Dependent 2 SSN
02NP2>	Dependent 2 NAP Access Indicator
02DC2>	Dependent 2 ITIN Status Code
02AD2>	Dependent 2 TIN Assignment Date
02CT3	Child 3 Child Tax and Other Dependent Credit Indicator
02YB3>	Child 3 Year of Birth
02DS3	Dependent 3 SSN
02NP3>	Dependent 3 NAP Access Indicator
02DC3>	Dependent 3 ITIN Status Code
02AD3>	Dependent 3 TIN Assignment Date
02CT4	Child 4 Child Tax and Other Dependent Credit Indicator
02YB4>	Child 4 Year of Birth
02DS4	Dependent 4 SSN
02NP4>	Dependent 4 NAP Access Indicator
02DC4>	Dependent 4 ITIN Status Code
02AD4>	Dependent 4 TIN Assignment Date
03AGI	Adjusted Gross Income
>>>>>	Adjusted Gross Income Computer
03TBC>	Income Tax Before Credits Computer
03COD	Child and Other Dependent Credit Amount
>>>>>	Child and Other Dependent Credit Computer Amount

1040-NR	Field Title
03COD>	Gross Child and Other Dependent Credit Computer
94CDV	Child and Other Dependent Credit Verified
S47NP	Section 47 Not Present
47NCP	Schedule 8812 Non-Taxable Combat Pay
47EI>	Additional Child Tax Credit Earned Income Computer
47SSM	Total Social Security and Medicare Taxes

3.22.3.226.2
(01-01-2026)

**Correction Procedures -
EC 299 - Form 1040-NR**

- (1) Correct coding and transcription errors and misplaced entries on displayed fields.
- (2) Beginning with TY 2018, taxpayers may claim the Child Tax Credit (CTC), the Additional Child Tax Credit (ACTC) and the Credit for Other Dependents (ODC) for qualified dependents on Form 1040-NR. CTC and ACTC is allowed only for dependents who have a Social Security number (SSN).
- (3) Follow the procedures in EC 287 at IRM 3.22.3.216.2 to determine the number of qualified dependents for CTC and ODC and the errors related to TIN validation of the primary and dependents.

3.22.3.226.2.1
(01-01-2026)

**Correction Procedures -
EC 299 - Form 1040-NR
TY 2018 and Later**

- (1) Beginning with TY 2018, taxpayers may claim the Child Tax Credit (CTC), the Additional Child Tax Credit (ACTC), and the Credit for Other Dependents (ODC) for qualified dependents on Form 1040-NR. CTC and ACTC is allowed only for dependents who are under 17 (18 for TY21) years of age and have a Social Security number (SSN) that was issued before the due date of the return for the tax year the CTC or ACTC is claimed. If a dependent claimed for CTC doesn't have an SSN, but has a valid ITIN, or is over 16 (17 for TY21) years of age, the computer amount for the combined Child Tax and Other Dependents Credit is calculated by disallowing CTC but allowing ODC for that dependent.

Note: : For other than TY21, maximum credit amount for a qualifying child for CTC is \$2,000. For TY 2021 the maximum credit amount for a qualifying child for CTC is \$3,600 for children under 6 and \$3,000 for children age 6 - 17. The maximum credit amount for an eligible dependent for ODC is \$500.

Reminder: A spouse is not eligible as a dependent for Credit for Other Dependents (ODC), and TY 2018 and later exemptions aren't allowed to be claimed on individual tax returns (the exemption amount is \$0). For these reasons, the TIN and name of the spouse is no longer included on Form 1040-NR.

- (2) If the spouse's name is present in dependents area, Code & Edit will edit "X" to left of spouse's name. If the Credit for Other dependents is claimed for the spouse listed in dependents area, and Code & Edit has "X'd" the spouse, assign TPNC 333
- (3) If the taxpayer checks the Child Tax Credit box for a dependent on page 1 of Form 1040-NR, the value of Field 02CT1 is "1". If the Credit for Other Depen-

dents box is checked, Field 02CT1 is "2". If the taxpayer checks both boxes in error, then Field 02CT1 is transcribed as "1". Fields 02CT2/3/4 are coded in the same way.

- (4) Follow the procedures in IRM 3.12.3, *EC 290*, for modified AGI limitations, earned income, and Social Security and Medicare taxes errors. Assign TPNCs as directed in the instructions for these errors.
- (5) Follow the procedures in EC 287 at IRM 3.22.3.216.2 and IRM 3.22.3.216.2.1 to determine the number of qualified dependents for CTC and ODC and errors related to TIN validation of the primary and dependents. Assign TPNCs for errors identified in EC 287 as follows:
 - TPNC 412 - Dependent not allowed based on country of residence
 - TPNC 421 - Primary TIN is invalid or missing
 - TPNC 323 - ITIN Status Code for Primary is "I"
 - TPNC 497 - Primary or Dependent TIN Assignment Date is after the return due date
 - TPNC 425 - Dependent is claimed for CTC but has an expired ITIN
 - TPNC 322 - Dependent is claimed for ODC but has an expired ITIN
 - TPNC 422- Dependent TIN is missing or invalid
 - TPNC 256 - Dependent claimed for CTC has a valid ITIN (not SSN); or dependent claimed for CTC is over 16 years of age

3.22.3.226.2.2
(01-01-2026)

**Correction Procedures -
EC 299 - Form 1040-NR
TY 2017 and Prior**

- (1) Prior to TY 2018, taxpayers can claim Child Tax Credit (CTC) and Additional Child Tax Credit (ACTC), but not Credit for Other Dependents, for qualified dependents on Form 1040-NR.

Note: For TY 2017 and prior, the maximum credit amount for a qualifying child for CTC is \$1,000.

- (2) Form 1040-NR may be filed only by an individual taxpayer, the Primary in Field 01PS. The Taxpayer Identification Number (TIN) for a spouse claimed as an exemption on Form 1040-NR doesn't affect the calculation of Child Tax Credit.
- (3) **On TY 2017 and prior returns, manually compute the credit and enter the correct amount in Field 94CDV prior to assigning a TPNC.**

Note: Programming will compute Child Tax Credit based on the qualification rules for TY 2018 which includes SSN requirements, maximum credit of \$2,000 per child and AGI thresholds.

- (4) Follow the procedures in IRM 3.12.3, *EC 299*, for AGI limitation, earned income, and Social Security/Medicare taxes errors. Assign TPNCs as directed in the instructions for these errors.
- (5) Follow the procedures in EC 287 at IRM 3.22.3.216.2 to determine the number of qualified dependents for CTC and the errors related to TIN validation of the primary and dependents. Assign TPNCs for errors identified in EC 287 as follows:
 - TPNC 423 - Dependent not allowed based on country of residence
 - TPNC 452 - Primary TIN is missing or invalid
 - TPNC 318 - ITIN Status Code for Primary is "I"
 - TPNC 495 - Primary or Dependent TIN Assignment Date is after the return due date

- TPNC 317 - Dependent has an expired ITIN
- TPNC 605 - Dependent TIN is missing or invalid
- TPNC 251- Dependent is over 16 years of age

3.22.3.226.3
(01-01-2026)

**Correction Procedure -
EC 299 - Form 1040 With
Income Exclusion**

- (1) Follow the procedures in EC 287 at IRM 3.22.3.216.3 to determine the number of qualified dependents for Child Tax Credit (CTC) and Credit for Other Dependents (ODC) and to identify the errors related to TIN validation of the primary, secondary, and dependents.
- (2) Correct coding and transcription errors and misplaced entries on displayed fields.
- (3) **Modified AGI Limitation with Income Exclusion.** Follow instructions in IRM 3.12.3, *EC 299, Field 03COD*, when the number of boxes checked for CTC matches the total eligible in Field 01TCE> and the number of boxes checked for ODC matches Field 01TDE>. To determine the modified adjusted gross income (MAGI) limitation to CTC/ODC, add any of the following income exclusions on the return to adjusted gross income (Field 03AGI):
 - a. Foreign earned income exclusion from Form 2555
 - b. Puerto Rico income excluded by IRC 933
 - c. Income excluded from American Samoa by IRC 931
- (4) Programming for EC 290 computes the CTC/ODC MAGI income limitation using lines 45 and 50, Form 2555. However, a manual calculation is required to compute the limitation correctly with IRC 933 and IRC 931 income exclusions. If the computer underprint for Field 03COD differs from the taxpayer's amount, and the dependents claimed match the eligible dependents, follow the instructions in EC 344 at IRM 3.22.3.253.3 paragraph (4) for Income Excluded under IRC 933 and the MAGI Limitation.
- (5) Taxpayers who file Form 1040 and exclude foreign earned income with Form 2555 aren't eligible for Additional Child Tax Credit (ACTC), but they are eligible for Child Tax Credit. Beginning in TY 2018, they may also claim Credit for Other Dependents. If the taxpayer is **excluding foreign earned income and claiming ACTC**, the computer underprint for Field 03ACT will be \$0. Since ACTC is based on the calculation of CTC and ODC credit, the taxpayer's combined CTC/ODC amount may be incorrect if claiming ACTC in error. If ACTC is claimed, and the dependents claimed match the number of eligible dependents in 01TCE>, assign TPNC 306.

Exception: Taxpayers excluding foreign earned income in TY 2014 and prior years are eligible for ACTC. See instructions below.

3.22.3.226.3.1
(01-01-2026)

**Correction Procedure -
EC 299 - Form 1040 With
Income Exclusion - TY
201412 and Prior**

- (1) In TY 201412 and prior, taxpayers excluding foreign earned income may claim ACTC, but the computer underprint for Field 03ACT will be \$0. Use Publication 972 Child Tax Credit Worksheet in Prior Year (PY) Job Aid 2515-014 to manually compute CTC and ACTC and enter the computed amount from the worksheet into Field 94CDV and 94ACV on Form 1040. If the taxpayer figured the credits incorrectly assign TPNC 252.

3.22.3.226.4
(01-02-2026)
**Correction Procedure -
EC 299 - Dual Status
Returns**

- (1) Dual Status Taxpayers can claim Child Tax Credit and Credit for Other Dependents using the same rules that apply to resident aliens. A taxpayer may file Form 1040-NR or Form 1040 based on their resident status on the last day of the tax year but is allowed to claim the CTC and ODC following the Form 1040 rules for the dual status tax year.
- (2) Refer to EC 287 at IRM 3.22.3.216.3 and EC 299 at IRM 3.22.3.226.3 in addition to IRM 3.12.3, *EC 287 and EC 299* correction procedures.

3.22.3.226.5
(01-01-2026)
**Allowable Taxpayer
Notice Codes - EC 299**

- (1) The allowable Taxpayer Notice Codes are as follows:

TPNC	Literal
	Any previously assigned TPNC
100	
218	We computed your tax for you.
230	We found an error in the addition of your alternative minimum tax to your tentative tax on page 2 of your return.
246	Disallowed all or part of your Retirement Savings Contribution Credit. The credit is not allowed if you are not at least 18 years of age at the end of the Tax Year.
247	Computed or transferred Form 8880 incorrectly.
249	We changed the amount claimed as child tax credit and credit for other dependents on your tax return because you either didn't enter an amount or entered an incorrect amount based on the number of boxes you checked on page 1 of your tax return.
250	We didn't allow all or part of the Child Tax Credit claimed on your return. One or more of the dependents listed on your return exceeds the age limit to be a qualifying child, or the child's Social Security number (SSN) was missing. If you claimed the Additional Child Tax Credit, it may also be affected. The age and SSN requirements don't apply when claiming the credit for other dependents. We changed the credit amount to include this credit.
251	Disallowed part or all of your child tax credit and/or additional child tax credit. One or more of your children exceeds the age limitation.
252	You incorrectly figured your child tax credit.
276	We changed the amount shown on Schedule 2 of your tax return as additional tax from Schedule 8812, Credits for Qualifying Children and Other Dependents, because of an error on Schedule 8812 in one of the following: The computation of Schedule 8812, did not reconcile advance Child Tax payments, transferred incorrectly.

TPNC	Literal
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
569	No reply, Form 8880
591	We disallowed the refundable Child Tax Credit amount claimed on your tax return because the required Schedule 8812, Credits for Qualifying Children and Other Dependents, was either incomplete or not attached to your tax return.
592	We didn't allow the amount claimed as additional Child Tax Credit or nonrefundable Child Tax Credit on your tax return because Schedule 8812, Credits for Qualifying Children and Other Dependents, was incomplete or not attached to your tax return.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
606	Disallowed the exemption claimed for any dependent born after December 31 of the tax year of the return you filed.
623	We can't allow your Refundable Child Tax Credit. According to information on Schedule 8812, Credits for Qualifying Children and Other Dependents, you did not maintain a home in the United States for 6 months or more or were not a bona fide resident of Puerto Rico. We have changed your return accordingly.
706	We compared the Social Security numbers (SSN) shown on your tax return with records from the Social Security Administration. According to these records, the SSN shown on your tax return for you, your spouse, or one or more of the dependents belongs to a deceased person.
707	One or more of the dependents listed on your tax return who have a missing Social Security number are identified as being born and died during the tax period of the return. To claim a dependent as being born and died there must be proof of a live birth shown on an official document such as a birth certificate attached to the return. As a result, we disallowed certain credits claimed on your return.
708	One or more of the dependents listed on your tax return was born after December 31st of the tax year for the return you filed. As a result, we disallowed certain credits claimed on your return.

TPNC	Literal
306	We didn't allow the amount you claimed for Additional Child Tax Credit on your Form 1040. You're not eligible to claim the credit because you excluded foreign earned income with Form 2555 or Form 2555-EZ. (Form 1040) (TY 2015 and later ONLY)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
317	Each exemption on your tax return must have a valid individual taxpayer identification number (ITIN) or other valid taxpayer identification number (TIN). One or more of your dependents has an expired ITIN. As a result, we didn't allow those exemptions on your tax return. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Child tax credit • Additional child tax credit (Form 1040-NR)
318	Your Individual Taxpayer Identification Number (ITIN) has expired. As a result, we disallowed certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit (Form 1040-NR)
322	The individual taxpayer identification number (ITIN) for one or more of your dependents has expired. As a result, we disallowed certain credits claimed on your return. This change may affect credit for child and dependent care expenses and credit for other dependents. (Form 1040-NR)
323	Your individual taxpayer identification number (ITIN) has expired. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)
333	We changed the amount claimed as child tax credit and credit for other dependents on your tax return. Credit for other dependents is not allowed for your spouse.
412	Your country of residence does not allow you to take exemptions for dependents. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)

TPNC	Literal
413	State income tax payments must be claimed as an itemized deduction on Schedule A, Itemized Deductions. These payments can't be subtracted from income on your tax return. If you filed a Schedule A, we changed it to include the state income tax payments. If you didn't file a Schedule A, we allowed it as your total itemized deduction on Schedule A because it lowered your taxable income. (Form 1040-NR)
421	Your Social Security number (SSN) or individual taxpayer identification number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return.(Form 1040-NR)
422	Each dependent listed on your tax return must have a valid Social Security number (SSN) or individual taxpayer identification number (ITIN). For one or more of your dependents, the SSN or ITIN was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)
423	Disallowed child tax credit because your country of residence does not allow you to take exemptions for dependents. (Form 1040-NR)
425	We didn't allow all or part of the amount claimed for child tax credit or additional child tax credit. Each dependent claimed for this credit must have a valid Social Security number issued by the Social Security Administration before the due date of the tax return. (Form 1040-NR)
452	<p>Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. This change may affect your taxable income, tax, or any of the following credits:</p> <ul style="list-style-type: none"> • Child tax credit • Additional child tax credit <p>(Form 1040-NR)</p>
465	We did not allow part or all of the amount claimed as Child Tax Credit and/or Additional Child Tax Credit on page 2 of your tax return because your dependent(s) with an Individual Taxpayer Identification Number (ITIN) did not meet the substantial presence test in Part I of your Schedule 8812, Child Tax Credit. (Form 1040-NR)

TPNC	Literal
495	<ul style="list-style-type: none"> We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return. (Form 1040-NR)
497	You, or one or more of the dependents listed on your return, didn't have an assigned taxpayer identification number by the due date of the tax return. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes*, for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.227
(01-01-2015)
**Error Code 300/600 -
Other Statutory Credits**

- (1) EC 300 generates when Other Statutory Credits is not equal to Other Statutory Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 300* for screen displays, invalid conditions, correction procedures and allowable TPNCs.

Note: In addition to the TPNCs listed for Error Code 300 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 300* the following TPNC is also valid for Form 1040-NR: 307 - **“You cannot claim the credit for the Elderly or Disabled on a Form 1040-NR.”**

3.22.3.228
(01-01-2013)
**Error Code 301- Credit
for Small Employer
Health Insurance
Premiums, Form 8941**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 301* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.228.1
(01-01-2024)
**Fields Displayed - EC
301**

- (1) Error Code 301 generates when the taxpayer's amount for Total Credit for Small Employer Health Insurance Premiums differs from the computer's amount.
- (2) The following fields are displayed for EC 301.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
65SSN	Identifying Number
65SHP	SHOP Checkbox

1040-NR	Field Title
65EIN	Employment Taxes Employer Identification Number
652YR	F8941 Two Year Declaration Checkbox
6501	Number of Employees
6502	Number of Full Time Employees
6503	Average Annual Wage
6504	Health Insurance Premiums Paid
6505	Potential Total Premiums
6510	State Tax Credits and Premium Subsidies
6513	Number of Employees With Paid Premiums
6514	Full Time Paid Premiums Paid
6515	Partnership Small Employer Health Insurance Premium Credit
6516	Total Credits for Small Employer Health Insurance Premiums
>>>>	Credits for Small Employer Health Insurance Section 65 Computer
6516V	Total Credit for Small Employer Health Insurance Premiums Section 65 Verified
234HJ	Small Employer Health Insurance Premiums Credit
23TOT	Total Additional Business Credit Amount
2236	Net Allowable General Business Credit Amount
22GC>	Gross General Business Credit Computer
05GBC>	General Business Credit Computer
S22NP	Section 22 Not Present
S23NP	Section 23 Not Present
S65NP	Section 65 Not Present

3.22.3.229
(01-01-2024)

**Error Code 302/602 -
Form 8936, Part II and
Part V**

- (1) Error Code 302 generates when Section 23 is present, Form 8936 Part II credit (Field 231YJ) does not equal the computer amount, or Form 8936 Part V credit (Field 231AA) does not equal the computer amount and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 302* for screen displays, invalid conditions, correction procedures, and allowable TPNCs.

3.22.3.230
(01-01-2024)

Error Code 303 - General Business Credit

- (1) EC 303 generates when General Business Credit is not equal to General Business Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 303* for screen displays, invalid conditions, correction procedures, and allowable TPNCs.

Note: In addition to the TPNCs listed in IRM 3.12.3, TPNC 424 is also valid for Form 1040-NR if the taxpayer claimed Education Credits.

3.22.3.231
(01-01-2015)

Error Code 308/608 - Credit for Prior Year Minimum Tax (Form 8801)

- (1) EC 308 generates when Prior Year Minimum Tax is not equal to Prior Year Minimum Tax Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 308* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.231.1
(01-01-2023)

Fields Displayed - EC 308

- (1) The following fields are displayed for EC 308.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01ACD	Audit Code Field
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
03TBC>	Income Tax Before Credits Computer
05PYM	Credit for Prior Year Minimum Tax
>>>>	Credit for Prior Year Minimum Tax Computer
03NRC	Total Statutory Credits
>>>>	Total Statutory Credits Computer
94NRV	Total Statutory Credits Verified
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
T-TWO>	Tentative Alternative Minimum Tax Computer

Note: The fields displayed for EC 608 will include a Clear Code field and 02NC> and all other fields will be the same as EC 308.

3.22.3.231.2
(01-01-2015)

**Allowable Taxpayer
Notice Codes - EC 308**

- (1) The following TPNCs are used for EC 308.

TPNC	Literal
	Any previously assigned TPNC.
100	
218	We computed your tax for you.
230	We found an error in the addition of your alternative minimum tax to your tentative tax on your return.
266	You figured your credits incorrectly. Either you completed your credit schedule incorrectly, or incorrectly applied the limit from Form 6251 to your credit.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
558	You gave us information that changed your refund or the amount of tax you owe.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.232
(01-01-2015)

**Error Code 310/610 -
Total Statutory Credits**

- (1) EC 310 generates when Total Statutory Credits is not equal to Total Statutory Credits Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Error Code 310/610 — Total Statutory Credits* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.232.1
(01-01-2026)

**Fields Displayed - EC
310**

- (1) The following fields are displayed for EC 310.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01ACD	Audit Code
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
05202	Alternative Minimum Tax
>>>>	Alternative Minimum Tax Computer
0521A	Taxpayer Advance Premium Tax Credit Repayment
0521A>	Computed APTC Repayment Amount

1040-NR	Field Title
03TBC>	Income Tax Before Credits Computer
05301	Foreign Tax Credit
>>>>	Foreign Tax Credit Computer
05302	Child Care Credit
21GC>	Gross Child Credit Computer
05302>	Child Care Credit Computer
05304	Retirement Savings Contribution Credit
>>>>	Retirement Savings Contribution Computer
03COD	Child and Other Dependent Credit Amount
>>>>	Child and Other Dependent Tax Credit Computer
0505A	Residential Clean Energy Credit
>>>>	Residential Clean Energy Credit Computer
0505B	Energy Efficient Home Improvement Credit
>>>>>	Energy Efficient Home Improvement Credit Computer
05GBC	General Business Credit
22GC>	Gross General Business Credit Computer
05GBC>	General Business Credit Computer
05PYM	Credit for Prior Year Minimum Tax
>>>>	Credit for Prior Year Minimum Tax Computer
05ADC	Adoption Credit
38GC>	Gross Adoption Credit Computer
05ADC>	Adoption Credit Computer
05CVC	Clean Vehicle Credit Amount
05CVC>	Clean Vehicle Credit Amount Computer
05MIC	Mortgage Certificate Credit
>>>>>	Mortgage Certificate Credit Computer
05POC	Previously Owned Clean Vehicles Credit
05POC>	Previously Owned Clean Vehicles Credit Computer
05OSC	Other Statutory Credit
>>>>	Other Statutory Credit Computer
05ONC	Total Other Nonrefundable Credits
03NRC	Total Statutory Credit
>>>>	Total Statutory Credits Computer

1040-NR	Field Title
94NRV	Statutory Credits Verified
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
S19NP	Section 19 Not Present

Note: The fields displayed for EC 610 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 310.

3.22.3.232.2

(01-01-2023)

**Correction Procedures -
EC 310 Form 1040**

- (1) The Foreign Tax Credit is reported on Schedule 3, line 1 of TY 2019 and later Form 1040 and Schedule 3, line 48, of TY 2018 Form 1040 (Field 05301), and on line 48 of Form 1040 in prior years.
- (2) The taxpayer can't claim a foreign tax credit on Form 1116 for foreign tax that is allocable to amounts excluded from gross income under the foreign earned income exclusion (Form 2555. Also, the taxpayer can't include this excluded income in the calculation of the foreign tax credit limitation. See chart below for correction procedures:

If Form 1116 or similar statement is attached and	Then
The amount claimed is less than \$600,	Accept the taxpayer's entry.
Code & Edit "X'd" Schedule 3, line 1, Form 1040 and adjusted line 1a Form 1116,	<ol style="list-style-type: none"> 1. Manually compute Field 05301. 2. If EC regenerates, assign TPNC 312
The amount in line 1a, Form 1116 is equal to line 26 Form 2555,	<ol style="list-style-type: none"> 1. Manually compute Field 05301. 2. If EC regenerates, assign TPNC 312
Field 05301 is not significant,	<p>Enter the amount from line 35, Form 1116 (Foreign Tax Credit) in Field 05301.</p> <p>Note: If line 35 Form 1116 is blank, enter the amount from line 24 Form 1116 to Field 05301.</p>

- (3) **IRC 901** - Taxpayers aren't allowed a credit for foreign taxes paid or accrued to the countries listed below on income attributable to the period when IRC 901(j) applies to these countries:

Country	Starting Date	Ending Date
Iran	January 1, 1987	Still in Effect
North Korea	January 1, 1987	Still in Effect
Sudan	February 12, 1994	Still in Effect
Syria	January 1, 1987	Still in Effect

- (4) If the taxpayer claims a foreign tax credit for taxes paid or accrued to one of the countries above on income from the periods listed, follow the instructions below:

If	Then
Code & Edit "X'd" the amount claimed for foreign tax credit on Schedule 3, line 1 because the foreign taxes were paid or accrued to one of the countries listed above,	Assign TPNC 335
EC 310 re-generates for another reason and it can be determined that the foreign taxes were paid or accrued to one of the countries listed above,	<ol style="list-style-type: none"> 1. Delete the entry in Field 05301. 2. Assign TPNC 335

3.22.3.232.3
(11-27-2020)

**Correction Procedures -
EC 310 Form 1040-NR**

- (1) Follow the instructions in the chart below:

If	Then
Code & Edit "X'd" the amount claimed for foreign tax credit on line 1, Schedule 3 (TY19, line 46, Form 1040-NR) because the foreign taxes were paid or accrued to one of the countries listed in IRM 3.22.3.232.2,	Assign TPNC 335
EC 310 re-generates for another reason and it can be determined that the foreign taxes were paid or accrued to one of the countries listed in IRM 3.22.3.232.2,	<ol style="list-style-type: none"> 1. Delete the entry in Field 05301. 2. Assign TPNC 335

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.232.4
(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 310**

(1) The following TPNCs are used for EC 310.

TPNC	Literal
	Any previously assigned TPNC.
100	
111	Your return has been converted to a Form 1040.
218	We computed your tax for you.
230	We changed the amount of tax on your tax return because there was an error in the addition of your tax, alternative minimum tax and advance premium tax credit repayment.
242	Adjusted Education credit - missing or invalid SSN; FSC 3; not an exemption. (Form 1040)
246	Disallowed all or part of your Retirement Savings Contribution Credit. The credit is not allowed if you are not at least 18 years of age at the end of the Tax Year.
247	Computed or transferred Form 8880 incorrectly.
253	We changed the amount claimed as Mortgage Interest Credit on your tax return because there was an error on Form 8396 or transfer error.
254	We changed the amount claimed as adoption credit on your tax return because there was an error on Form 8839, Qualified Adoption Expenses. The error was in the: <ul style="list-style-type: none"> • Computation of the credit on Form 8839 and/or • Transfer of that amount to your tax return.
257	Disallowed the amount claimed as mortgage interest credit. The amount of mortgage interest paid from Form 1098 should be reported on Schedule A.
264	We found an error in the addition of your credits on your tax return.
266	You figured your credits incorrectly. Either you completed your credit schedule incorrectly, or incorrectly applied the limit from Form 6251 to your credit.
267	Your credits are limited by the Alternative Minimum Tax. You aren't liable for this tax, but the Alternative Minimum Tax computation on Form 6251 limits your credits.
503	We changed the nonrefundable credits on your tax return because you either didn't complete Schedule 3, Additional Credits and Payments, or you didn't attach it to your tax return.
513	We didn't allow the amount claimed as Foreign Tax Credit on your tax return. Form 1116, Foreign Tax Credit, was incomplete or not attached to your tax return

TPNC	Literal
522	We didn't allow the amount claimed as alternative motor vehicle credit on your tax return because Form 8910, Alternative Motor Vehicle Credit, was incomplete or not attached to your tax return.
523	We didn't allow the amount claimed as qualified plug-in electric drive motor vehicle credit on your tax return because Form 8936, Clean Vehicle Credits, incomplete or not attached to your tax return.
524	We didn't allow the amount claimed as qualified electric vehicle credit on your tax return because Form 8834, Qualified Electric Vehicle Credit, was incomplete or not attached to your tax return.
527	We changed the amount claimed as qualified plug-in electric drive motor vehicle credit on Form 3800, General Business Credit. You figured the credit incorrectly or transferred it incorrectly from Form 8936, Clean Vehicle Credits, to Part III of Form 3800.
528	We changed the amount claimed as qualified electric vehicle credit on Form 3800, General Business Credit. You figured Form 8834, Qualified Electric Vehicle Credit, incorrectly or transferred the credit incorrectly from Form 8834 to Part III of Form 3800.
558	You gave us information that changed your refund or the amount of tax you owe.
567	We didn't allow the amount claimed as a credit on your Form 1040. Form 5695, Residential Energy Credit was either incomplete or not attached to your tax return.
753	We changed the amount claimed as Credit for Small Employer Health Insurance Premiums on Form 3800, General Business Credit. The error was in figuring or transferring the total from Form 8941, Credit for Small Employer Health Insurance Premiums to Form 3800, General Business Credit
754	We didn't allow the amount claimed as Credit for Small Employer Health Insurance Premiums on Form 3800, General Business Credits because the supporting Form 8941 Credit for Small Employer Health Insurance premiums was incomplete or not attached to your tax return.
781	We changed the amount of total statutory credits on your tax return because there was an error in the: <ul style="list-style-type: none"> • Computation of the credit and/or • Transfer of the amount to your tax return.

TPNC	Literal
800	We didn't allow the amount you claimed as Credit for Small Employer Health Insurance Premiums on your tax return. You're not eligible to claim the credit based on your response to the questions on Form 8941, line A and/or line C.

TPNC	Literal
307	We cannot allow the Elderly and Disabled credit from Schedule R on a Form 1040-NR. We have adjusted your return accordingly.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
312	Disallowed part or all foreign tax credit. Foreign tax credit cannot be figured on income that is excluded on Form 2555/Form 2555-EZ.
335	We did not allow the amount claimed as foreign tax credit because the foreign taxes were paid or accrued to a country to which special rules under Rev. Rul. 2005-3, Rev. Rul. 2016-8, and/or Rev. Rul. 901(j) apply.
424	We cannot allow the amount you claimed for education credit. Nonresident aliens are not eligible for this credit.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.233
(06-08-2017)
Error Code 311 - Not Effectively Connected Income (NEC)

- (1) EC 311 generates when Document Code is 72 or 73 and Tax on Income Not Effectively Connected is not equal to Tax on Income Not Effectively Connected Computer and a math error is present.

3.22.3.233.1
(11-27-2020)
Fields Displayed-Error Code 311

- (1) The following fields are displayed for Error Code 311.

1040-NR	Field Title
01SPC	Special Processing Code
03TNC	Tax on Income Not Effectively Connected
>>>>	Tax on Income Not Effectively Connected Computer
S46NP	Section 46 Not Present
46TR1	Tax Rate Income Taxpayer Percentage 1
46TR2	Tax Rate Income Taxpayer Percentage 2

1040-NR	Field Title
4613A	Ten Percent Taxable Income Amount
4613B	Fifteen Percent Taxable Income Amount
4613C	Thirty Percent Taxable Income Amount
46131	First Percentage Specified Taxable Amount
46132	Second Percentage Specified Taxable Amount

3.22.3.233.2
(11-27-2020)
Invalid Condition - EC 311

- (1) Error Code 311 will generate on Form 1040-NR if the taxpayer's tax on Income Not Effectively Connected (Field 03TNC) and the Tax on Income Not Effectively Connected Computer amounts differ and a math error is present, or no Schedule NEC, Form 1040-NR is present.

3.22.3.233.3
(05-20-2024)
Correction Procedures - EC 311

- (1) Tax on income not effectively connected with a United States trade or business is reported on Schedule NEC of Form 1040-NR. The amount on Schedule NEC, line 15, is transferred to line 23a (TY19, line 54), of Form 1040-NR.
- (2) Correct coding and transcription errors and misplaced entries on displayed fields.
 - a. If Schedule NEC is attached, GTSEC 46 and enter all fields of data available. Income amounts are entered in dollars and cents.
 - b. If the taxpayer entered a two-digit number in the other tax rate column (d), then enter as three digits. (Example: 10 percent = 100, 25.5 percent = 255 and 1 percent is entered as 010) in Field 46TR1 and/or Field 46TR2.
 - c. Add the amounts in columns (a) through (d) on Schedule NEC and enter the totals for each column in Field 4613A, Field 4613B, Field 4613C, Field 46131, and Field 46132 as appropriate.
- (3) If Schedule NEC is missing, blank, or illegible and there is an entry on line 23a (TY19, line 54) of Form 1040-NR, SSPND 215 and correspond for Schedule NEC by selecting paragraph 1, 2, or 3 on Form 13900.
- (4) If Form SSA 1042-S or Form RRB 1042-S is attached to the return but the income isn't reported on Schedule NEC, follow the instructions at IRM 3.22.3.233.3.3, *Social Security Benefits*.
- (5) If Form 1042-S for gambling winnings (income code 28 or 23) is attached to the return but the income isn't reported on Schedule NEC, follow the instructions at IRM 3.22.3.233.3.5, *Gambling*.
- (6) If Form 1042-S is attached to the return but the income isn't reported on page 1 of Form 1040-NR or Schedule 1 as taxable income or as a treaty exempt amount, or on Schedule NEC as not effectively connected (NEC) income, compare the income code on Form 1042-S to the income code chart at IRM 3.22.3.4. If the income should be reported on Schedule NEC follow the instructions below.

3.22.3.233.3.1
(11-27-2020)

NEC Tax Rate Validation

- (1) Not Effectively Connected Income (NEC) is taxed at a rate of 30 percent unless the taxpayer's country of residence prescribes a lower rate based on a tax treaty. Go to these sections for instructions if the NEC income type is:
 - Pensions and annuities, see IRM 3.22.3.233.3.2
 - U.S. Social Security benefits, see IRM 3.22.3.233.3.3
 - Capital gains and losses, see IRM 3.22.3.233.3.4
 - Gambling income, see IRM 3.22.3.233.3.5
- (2) Alimony is not-effectively connected income and is reported on Schedule NEC, line 12, "Other", using the applicable treaty tax rate for pensions and annuities (income code 15).
- (3) An award or prize is not effectively connected income and is reported on Schedule NEC and taxed at a rate of 30 percent for all countries of residence.
- (4) For all other types of NEC income not listed in the paragraphs above follow these correction procedures:

Note: If after following these corrections procedures you determine that the taxpayer's amount reported on line 23a (TY19, line 54) is correct, but the amount edited on line 23a (TY19, line 54) by Code & Edit in red ink isn't correct, then enter the original amount reported by the taxpayer in Field 03TNC to resolve EC 311.

If	Then
a) The NEC income isn't reported on Schedule NEC,	Follow the instructions in paragraph c).
b) The taxpayer uses a rate of 30 percent,	
c) The taxpayer uses a rate lower than 30 percent,	Determine the correct rate using Exhibit 3.22.3-3, <i>Treaty Table 1</i> .
d) The taxpayer uses a rate that is lower than the correct rate listed on the treaty table,	<ol style="list-style-type: none"> 1. Adjust Section 46 by entering the income in the income field for the correct tax rate. (If using Field 46131/2, also enter the tax rate in Field 46TR1/2.) 2. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the original amount reported by the taxpayer in Field 03TNC. 3. When EC 311 generates, assign TPNC 428.
e) The rate used is higher than the correct rate per the treaty table,	

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Example: A resident of Greece attaches Form 1042-S reporting \$1,000 of dividend income (income code 06), calculates tax at 15 percent on Schedule NEC, and reports \$150 on line 23a (TY19, line 54). According to Exhibit

3.22.3-3, dividends received by a Greek resident are taxed at 30 percent. Delete 100000 from Field 4613B and enter in Field 4613C. Assign TPNC 428 when EC 331 generates.

- (5) If the taxpayer didn't transfer the tax amount from Schedule NEC to line 23a (TY19, line 54), Form 1040-NR, assign TPNC 427.
- (6) If the taxpayer used the correct rate but made a math error when calculating the tax, assign TPNC 426.

3.22.3.233.3.2
(01-01-2023)

EC 311 Pensions and Annuities on Form 1040-NR (Schedule NEC line 7)

- (1) Pension income reported on Form 1042-S is taxed at a rate of 30 percent unless the taxpayer's country of residence prescribes a lower rate based on a tax treaty. Follow the correction procedures in the table at IRM 3.22.3.233.3.1 to validate the tax.
- (2) Pension income reported on Form 1042-S must be reported and taxed as not-effectively connected income on Schedule NEC of Form 1040-NR.

If	Then
a) The taxpayer reported Form 1042-S pension income on line 5b (TY19, line 17b),	Delete the amount and enter the pension amount in the proper tax rate field for the country of residence in Section 46.
b) After adjusting Section 46,	Enter the taxpayer amount in Field 03TNC if Code & Edit has edited line 23a (TY19, line 54) in red ink,
b) EC 218 or EC 311 generates,	Assign TPNC 429.

Note: If the taxpayer has a negative amount on line 8z, Schedule 1 (TY19, line 21 of Form 1040-NR) that is identified as contributions to a pension from wages see EC 218 IRM 3.22.3.168.2.2.1.

3.22.3.233.3.3
(01-01-2024)

EC 311 Social Security Benefits on Form 1040-NR (Schedule NEC line 8)

- (1) A nonresident is taxed at a rate of 30 percent on 85 percent of their U.S. Social Security benefits unless the income is tax exempt due to a tax treaty.

Exception: A resident of Switzerland is taxed at 15 percent of 85 percent of U.S. Social Security benefits.

- (2) Resident of these countries are exempt from taxation of their U.S. Social Security benefits:
 - Canada
 - Egypt
 - Germany
 - India (with respect to services performed for the U.S. government and if the recipient is both a resident and a national of India)
 - Ireland
 - Israel
 - Italy
 - Japan
 - Romania

- United Kingdom (England, Northern Ireland, Scotland and Wales)
- (3) If the taxpayer is **not** from a country listed above follow these instructions when Social Security benefits are reported on Form 1040-NR, or Form SSA 1042-S or Form RRB 1042-S is attached to the return:

If	Then
a) Social Security benefits are reported on Schedule NEC of Form 1040-NR, but the tax isn't calculated at a rate of 30 percent of 85 percent of the benefits (or 15 percent for Switzerland),	<ol style="list-style-type: none"> 1. Multiply SSA/RRB income by .85 and enter the result in Field 4613C (Field 4613B for Switzerland). 2. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the original amount reported by the taxpayer in Field 03TNC. 3. When EC 311 generates assign TPNC 428.
b) Form SSA 1042-S or RRB 1042-S is attached but income isn't reported on Schedule NEC of Form 1040-NR,	<ol style="list-style-type: none"> 1. Multiply SSA/RRB income by .85 and enter the result in Field 4613C. 2. GTSEC 03 and enter the withholding amount from SSA/RRB 1042-S in Field 0325G. Delete the withholding from Field 03WH, 0325E, or 0325F if present. 3. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the original amount reported by the taxpayer in Field 03TNC. 4. When EC 311 generates assign TPNC 443. <p>Caution: The 30 percent tax must be computed on 85 percent of the Social Security benefits.</p> <p>Example: If the taxpayer has \$3000 of SSA/RRB income that isn't tax exempt, multiply $\\$3,000 \times .85 = \\2550. The tax on $\\$2550 \times .30 = \\765.</p>

3.22.3.233.3.4
(03-12-2025)

**EC 311 Capital Gains
and Losses on Form
1040-NR (Schedule NEC
line 9 and line 18)**

- (1) Gains reported on Schedule NEC of Form 1040-NR (Schedule NEC) do not require a Schedule D for support.

Note: Gains and losses from the sale or other disposition of a U.S. real property interests by a nonresident alien are taxed as income effectively connected and not on Schedule NEC. If the income reported on Schedule NEC of Form 1040-NR is from Form 8288-A, follow the instructions at IRM 3.22.3.264.4.5.

- (2) Gains on Schedule NEC may only be reduced by losses on Schedule NEC. These losses can't be used for any other purpose or carried over to later tax years.
- (3) Capital gains, such as gains from the sale of stock in U.S. corporations, generally do not need to be reported on Form 1040-NR by nonresident taxpayers who spend **less than 183 days in the U.S.** If a taxpayer reports capital gains and uses a 0 percent tax rate (or doesn't include the capital gain as part of total income) AND indicates anywhere on the return that they were present in the U.S. for less than 183 days, do NOT assess tax on that income.
- (4) If paragraph (3) doesn't apply, net gains reported on line 9 (or line 18) on Schedule NEC are taxed at the applicable treaty rate found at Exhibit 3.22.3-3, or 30 percent. Follow the correction procedures in the table at IRM 3.22.3.233.3.1.

3.22.3.233.3.5
(11-03-2022)

**EC 311 Gambling
Income and Losses on
Form 1040-NR (Schedule
NEC line 10 and 11)**

- (1) Gambling income is not effectively connected income and must be reported on Schedule NEC line 10 and 11 of Form 1040-NR.

Exception: Professional gambling income is effectively connected and can be reported on Schedule 1 (TY19, page 1, Form 1040-NR) with a supporting Schedule C.

- (2) Gambling income won in the United States by residents of the following countries are exempt from U.S. taxation:

List of Countries exempt from tax on gambling income
Austria
Belgium
Bulgaria
Czech Republic
Denmark
Finland
France
Germany
Hungary
Iceland
Ireland

List of Countries exempt from tax on gambling income
Italy
Japan
Latvia
Lithuania
Luxembourg
Netherlands
Russia
Slovak Republic
Slovenia
South Africa
Spain
Sweden
Tunisia
Turkey
Ukraine
United Kingdom (England, Northern Ireland, Scotland and Wales)

- (3) **Canadian Gambling.** Net gambling income of Canadian residents is reported on Schedule NEC line 10c and taxed at a rate of 30 percent. Residents of Canada are allowed to claim gambling losses up to the amount of gambling winnings. Gambling winnings and losses are reported on Schedule NEC lines 10a and 10b. If there are net gambling winnings (after offsetting the total gambling losses against their total gambling winnings), the net amount should be included on line 10c. However, if the taxpayer doesn't indicate the exact amount of gambling losses then the gross winnings must be taxed at the rate of 30 percent.
- (4) Residents of Malta report gambling winnings on line 11 and are taxed at a rate of 10 percent.
- (5) Gambling winnings of residents of all other countries are reported on line 11 and taxed at a rate of 30 percent (except for the exempt countries listed in paragraph (2) above). Gambling losses can't be used to offset winnings except for Canadian residents.
- (6) Follow the following correction procedures related to gambling income.

If	Then
a) Gambling winnings for countries that are exempt from U.S. tax are reported on Schedule 1 (TY19, page 1) of Form 1040-NR,	<ol style="list-style-type: none"> 1. Delete the amount wherever reported. 2. Assign TPNC 448.
b) The taxpayer indicates they are a professional gambler AND is reporting their net gambling income on Schedule C,	Allow the net gambling income to be reported as effectively connected on Schedule 1 (TY19, page 1) of the Form 1040-NR.
c) A Canadian citizen did NOT indicate the amount of their losses,	<ol style="list-style-type: none"> 1. Enter the Gross Gambling Winnings in Field 4613C. 2. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the original amount reported by the taxpayer in Field 03TNC. 3. When EC 311 generates assign TPNC 447.
d) The taxpayer is a resident of Malta,	<ol style="list-style-type: none"> 1. Enter the Gross Gambling Winnings in Field 4613A. 2. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the taxpayer amount in Field 03TNC. 3. When EC 334 generates assign TPNC 428 if the taxpayer used an incorrect tax rate.
e) The taxpayer is from a non-treaty country,	<ol style="list-style-type: none"> 1. Enter the Gross Gambling Winnings in Field 4613C 2. If Code & Edit has edited line 23a (TY19, line 54) in red ink, enter the taxpayer amount in Field 03TNC. 3. When EC 311 generates assign TPNC 447.

3.22.3.233.4
(11-27-2020)

**Allowable Taxpayer
Notice Codes - EC 311**

(1) Use the following TPNCs for EC 311.

TPNC	Literal
	Any previously assigned
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

TPNC	Literal
426	You figured your total tax incorrectly on income not effectively connected with a U.S. trade or business on Form 1040-NR, Schedule NEC. We have changed your tax return accordingly.
427	You incorrectly transferred the amount of tax on income not effectively connected with a U.S. trade or business from Form 1040-NR, Schedule NEC to page 2. We have adjusted your return accordingly.
428	You figured your tax using an incorrect tax treaty rate. We have changed your tax return accordingly.
429	You figured your tax incorrectly on Form 1040-NR, page 2, using the tax tables. We refigured your tax using the 30 percent (or lower treaty) rate from Form 1040-NR, Schedule NEC. We have changed your tax return accordingly. (Form 1040-NR)
443	You are not entitled to a refund of tax withheld on U.S. social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85% of your social security benefits are taxed at 30%. We have adjusted your return accordingly.
447	Your tax rate for gambling winnings paid to nonresident aliens is 30%. We have changed your tax return accordingly.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty with your country of residence. We have changed your tax return accordingly.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.

Note: The above literals are abbreviated. See Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.234
(01-01-2015)

**Error Code 314 - Form
4137 Social Security and
Medicare Tax on
Unreported Income**

- (1) EC 314 generates when Combined Unreported Tips SST is not equal to Combined Unreported Tips SST Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 314* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.234.1
(01-01-2023)

**Fields Displayed - EC
314**

- (1) The following fields are displayed for EC 314.

1040-NR	Field Title
01FSC	Filing Status Code

1040-NR	Field Title
01TXP	Tax Period
05SSM	Unreported Social Security and Medicare Tax for Form 4137 and 8919
>>>>	Unreported Social Security and Medicare Tax for Form 4137 and 8919 Computer
05USS	Uncollected Tax on Tips
S24NP	Section 24 Not Present
24SSN	Section 24 Social Security number
2402	Total Cash and Tips Received
2403	Total Cash and Tips Reported
2405	Incidental Cash and Tips
2406	Unreported Tips Subject to Medicare Amount
2406>	Form 4137 Cash/Tips Computer
2408	Total SS Wages and Tips
24GOV	Form 4137 Government Employee Tips
2410>	Unreported SS Tips Computer
2411>	Form 4137 SS Tax Computer
24MCI>	Unreported Medicare Tips Computer
2412>	Form 4137 Medicare Tax Computer
2413>	Form 4137 Tax Computer
2413V	Form 4137 Tax Verified
S61NP	Section 61 Not Present
61SSN	SSN Section 61
6106	Total Wages Amount
6108	Total Social Security Wages Tips Amount
6113	Uncollected SST on Wages Amount
>>>>	Uncollected SST on Wages Amount Computer
6113V	Uncollected SST on Wages Amount Verified

Note: In addition to the TPNCs listed for this Error Code in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 314* the following TPNC is also valid for Form 1040-NR: 558 - You gave us information that changed the amount of tax you owe.

3.22.3.235
(01-03-2012)

**Error Code 316 - Form
4137 Tax Verified
Present - Unreported
Tips Computer Zero**

- (1) EC 316 generates when Combined Unreported Tips SST Computer is significant and Form 4137 and Form 8919 are not significant.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 316* for invalid conditions and correction procedures.

3.22.3.235.1
(01-01-2023)

**Fields Displayed - EC
316**

- (1) The following fields are displayed for EC 316.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
05SSM	Unreported Social Security and Medicare Tax for Form 4137 and 8919
>>>>	Unreported Social Security and Medicare Tax for Form 4137 and 8919 Computer
S24NP	Section 24 Not Present
24SSN	Form 4137 SSN-Primary
24ANM	Form 4137 A Name
24AEN	Employer A EIN
24ARC	Employer A Tips Received
24ARP	Employer A Tips Reported
24BNM	Form 4137 B Name
24BEN	Employer B EIN
24BRC	Employer B Tips Received
24BRP	Employer B Tips Reported
24CNM	Form 4137 C Name
24CEN	Employer C EIN
24CRC	Employer C Tips Received
24CRP	Employer C Tips Reported
24DNM	Form 4137 D Name
24DEN	Employer D EIN
24DRC	Employer D Tips Received
24DRP	Employer D Tips Reported
24ENM	Form 4137 E Name
24EEN	Employer E EIN
24ERC	Employer E Tips Received
24ERP	Employer E Tips Reported

1040-NR	Field Title
2402	Total Cash and Tips Received
2403	Total Cash and Tips Reported
2405	Incidental Cash and Tips
2406	Unreported Tips Subject to Medicare Amount
2406>	Form 4137 Cash/Tips Computer
2408	Total SS Wages and Tips
24GOV	Form 4137 Government Employee Tips
2410>	Unreported SS Tips Computer
2411>	Form 4137 SS Tax Computer
24MCI>	Unreported Medicare Tips Computer
2412>	Form 4137 Medicare Tax Computer
2413>	Form 4137 Tax Computer
2413V	Form 4137 Tax Verified
S61NP	Section 61 Not Present
61SSN	SSN Section 61
6106	Total Wages Amount
6108	Total Social Security Wages Tips Amount
6113	Uncollected SST on Wages Amount
>>>>	Uncollected SST on Wages Amount Computer
6113V	Uncollected SST on Wages Amount Verified

3.22.3.236
(01-01-2026)
**Error Code 318 -
Additional Tax On IRA**

- (1) EC 318 generates when Combined Tax on Retirement Plans is not equal to Combined Tax on Retirement Plans and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 318* for screen displays, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.237
(01-01-2025)
**Error Code 322/622 -
Schedule H Social
Security, Medicare, and
Federal Income Taxes**

- (1) EC 322 generates when Combined Household Employment Taxes (Field 05HSH, Form 1040-NR; Form 1040-SS (sp)/SS) is not equal to Combined Household Employment Taxes Computer and **both** of the following conditions exist.
 - a. The sum of Schedule H Total Social Security/Medicare/Federal Taxes Section 44 Amount (Field 4408D) and Schedule H Total Social Security/Medicare/Federal Taxes Section 45 Amount (Field 4508D) is not equal to the sum of Schedule H Total SST Medicare Tax Section 44 Computer (Field 44TOT>) and Schedule H Total SST Medicare Tax Section 45 Computer (Field 45TOT>).

- b. The difference between Schedule H Section 44 and 45 Total Social Security Medicare Income Tax and Schedule H Section 44 and 45

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- (2) Refer to both IRM 3.22.3 and IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 322* for invalid conditions, correction procedures and additional allowable TPNCs. For Form 1040-SS (sp), assign the Spanish versions of these TPNCs which are listed in IRM 3.22.3.237.2.

3.22.3.237.1
(01-01-2025)

**Fields Displayed - EC
322**

- (1) The following fields are displayed for EC 322.

1040-NR	1040-SS (sp)/ 1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
05HSH	05HSH	Household Employment Tax Amount
>>>>	>>>>	Household Employment Tax Amount Computer
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax Computer
4401	4401	Wages Subject to SST S44 Amount
4403	4403	Wages Subject to Medicare S44 Amount
4404>	4404>	Medicare Tax S44 Computer
4405	4405	Total Cash Wages/Additional Medicare Tax Section 44 Amount
	44NFV	Total Non FUTA Verified S44 Amount
4406	4406	Additional Medicare Tax Section 44 amount
4406>	4406>	Additional Medicare Tax Section 44 Computer
4407		Federal Withholding
4408D	4408	Total Social Security/Medicare/Federal Taxes S44 Amount
4408E	4408E	Refundable portion of Sick and Family Leave S44 Amount
4408F	4408F	Refundable Portion of Qualified Sick and Family Wages Amount After 3/31/2021
44NFV		Total Non FUTA Verified S44 Amount
44TOT>	44TOT>	Total SST Medicare Tax Computer S44
44FTX	44FTX	FUTA Tax S44 Amount
44FTX>	44FTX>	FUTA Tax Computer S44
44HTX>	44HTX>	Household Employment S44 Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
	4501	Wages Subject to SST S45 Amount
	4503	Wages Subject to Medicare S45 Amount
	4504>	Medicare Tax S45 Computer
	4505	Federal Withholding
	45NFV	Total Non FUTA Verified S45 Amount
	4506	Additional Medicare Tax Section 45 amount
	4506>	Additional Medicare Tax Section 45 Computer
	4508	Total Social Security/Medicare/Federal Taxes
	45DEF	Maximum Deferred S45 Amount
	4508E	Refundable portion of Sick and Family Leave S45 Amount
	4508F	Refundable portion of Qualified Sick and Family Wages Amount After 03-31-2021
	45TOT>	Total SST Medicare Tax Computer S45
	45FTX	FUTA Tax S45 Amount
	45FTX>	FUTA Tax Computer S45
	45HTX>	Household Employment S45 Computer

3.22.3.237.2
(01-01-2024)

**Allowable Taxpayer
Notice Codes - EC 322 -
Form 1040-SS
(sp)/1040-SS**

- (1) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 322*, the following TPNCs are valid for Form 1040-SS (sp).

TPNC	Literal
366	<p>We changed the amount of household employment taxes on line 4 of your Form 1040-SS (sp). There was an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes:</p> <ul style="list-style-type: none"> • Social Security • Medicare • Federal Income Taxes <p>Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. Hubo un error en el cómputo de una o más de las siguientes contribuciones ó la suma total de estas cantidades en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos:</p> <ul style="list-style-type: none"> • Seguro Social • Medicare • Contribuciones Sobre el Ingreso Federal (1040-SS (sp))
367	<p>We changed the household employment taxes. The amount of cash wages reported on Schedule H, Household Employment Taxes, for your household employee was not enough to be considered taxable</p> <ul style="list-style-type: none"> • Corregimos las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. La cantidad de los sueldos de dinero en efectivo reportada en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos, para su empleado no era suficiente para ser considerada sujeta a la contribución para propósitos de la contribución del empleo. Cualquier contribución retenida para el Seguro Social y Medicare debe devolverse a su empleado. Usted también puede que tenga que radicar la Forma W-2C en inglés, "Corrected Wage and Tax Statement" (Corregido el Sueldo y el Informe Contributivo), para corregir el Seguro Social y Medicare que usted reportó. (1040-SS (sp))
368	<p>We changed the amount of household employment taxes because there was an error on Schedule H, Household Employment Taxes.</p> <ul style="list-style-type: none"> • Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva, porque hubo un error en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos. El error estaba en: • El cómputo del total de la contribución en el Anexo H-PR y/o • La transferencia de esa cantidad a su planilla contributiva. (1040-SS (sp))

TPNC	Literal
374	<p>We changed the refund or amount you owe based on your response to our previous correspondence.</p> <ul style="list-style-type: none"> Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.

3.22.3.238
(01-01-2024)
**Error Code 324/624 -
Schedule H Federal
Unemployment Tax Act
(FUTA) Tax Reported**

- (1) EC 324 generates when **both** of the following conditions exist:
 - a. Combined Household Employment Taxes is not equal to Combined Household Employment Taxes Computer.
 - b. FUTA Tax (Field 44FTX) does not equal FUTA Tax Computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 324* for invalid conditions, correction procedures and allowable TPNCs. For Form 1040-SS (sp), assign the Spanish versions of these TPNCs which are listed in IRM 3.22.3.237.2.

3.22.3.238.1
(01-01-2024)
**Fields Displayed - EC
324**

- (1) The following fields are displayed for EC 324.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
05HSH	05HSH	Household Employment Tax
>>>>	>>>>	Household Employment Tax Amount Computer
44FIN	44FIN	FUTA Indicator
44SC1	44SC1	FUTA State Code - 1
44SC2	44SC2	FUTA State Code - 2
44FCP	44FCP	Sch H Contributions Paid State Unemployment Amount S44
44TTC	44TTC	Section 44 FUTA Total Tentative Credit
44TFW	44TFW	Total FUTA Wages
44BAS>	44BAS>	Section 44 FUTA Base Amount Computer
44MAX>	44MAX>	Section 44 FUTA Maximum Amount Computer
44SML>	44SML>	Section 44 FUTA Smaller Amount Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
44CR1>	44CR1>	Section 44 Credit Reduction State 1 Computer
44CR2>	44CR2>	Section 44 Credit Reduction State 2 Computer
44TCR	44TCR	Section 44 Total Credit Reduction
44TCR>	44TCR>	Section 44 Total Credit Reduction Computer
44CA>	44CA>	Section 44 FUTA Credit Allowable Computer
44FTX	44FTX	Section 44 FUTA Tax
44FTX>	44FTX>	Section 44 FUTA Tax Computer
44FTV	44FTV	Section 44 FUTA Tax Verified
	45FIN	FUTA Indicator
	45SC1	FUTA State Code - 1
	45SC2	FUTA State Code - 2
	45FCP	Section 45 FUTA Contributions Paid
	45TTC	Section 45 FUTA Total Tentative Credit
	45TFW	Total FUTA Wages
	45BAS>	Section 45 FUTA Base Amount Computer
	45MAX>	Section 44 FUTA Maximum Amount Computer
	45SML>	Section 45 FUTA Smaller Amount Computer
	45CR1>	Section 45 Credit Reduction State 1 Computer
	45CR2>	Section 45 Credit Reduction State 2 Computer
	45TCR	Section 45 Total Credit Reduction
	45TCR>	Section 45 Total Credit Reduction Computer
	45CA>	Section 45 FUTA Credit Allowable Computer
	45FTX	Section 45 FUTA Tax
	45FTX>	Section 45 FUTA Tax Computer
	45FTV	Section 45 FUTA Tax Verified

Note: The fields displayed for EC 624 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 324.

3.22.3.238.2
(01-01-2024)

**Allowable Taxpayer
Notice Codes - EC 324 -
Form 1040-SS (sp)/Form
1040-SS**

- (1) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 324*, the following TPNCs are valid for Form 1040-SS (sp).

TPNC	Literal
367	<p>We changed the household employment taxes. The amount of cash wages reported on Schedule H, Household Employment Taxes, for your household employee was not enough to be considered taxable</p> <ul style="list-style-type: none"> • Corregimos las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. La cantidad de los sueldos de dinero en efectivo reportada en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos, para su empleado no era suficiente para ser considerada sujeta a la contribución para propósitos de la contribución del empleo. Cualquier contribución retenida para el Seguro Social y Medicare debe devolverse a su empleado. Usted también puede que tenga que radicar la Forma W-2C en inglés, "Corrected Wage and Tax Statement" (Corregido el Sueldo y el Informe Contributivo), para corregir el Seguro Social y Medicare que usted reportó. (1040-SS (sp))
368	<p>We changed the amount of household employment taxes because there was an error on Schedule H, Household Employment Taxes.</p> <ul style="list-style-type: none"> • Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva, porque hubo un error en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos. El error estaba en: • El cómputo del total de la contribución en el Anexo H-PR y/o • La transferencia de esa cantidad a su planilla contributiva. (1040-SS (sp))
374	<p>We changed the refund or amount you owe based on your response to our previous correspondence.</p> <ul style="list-style-type: none"> • Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.

3.22.3.239
(01-01-2024)

**Error Code 326/626 -
Schedule H Net Tax**

- (1) EC 326 generates when **both** of the following conditions exist:
- Combined Household Employment Taxes is not equal to Combined Household Employment Taxes Computer.
 - The difference is not attributable to Error Code 322 or 324.

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 326* for invalid conditions, correction procedures and allowable TPNs. For Form 1040-SS (sp), assign the Spanish versions of these TPNs which are listed in IRM 3.22.3.239.2.

3.22.3.239.1
(01-01-2024)

Fields Displayed - EC 326

- (1) The following fields are displayed for EC 326.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
05HSH	05HSH	Household Employment Taxes
>>>>	>>>>	Household Employment Taxes Computer
S44NP	S44NP	Section 44 Not Present
4408D	4408D	Total Social Security/Medicare/Federal Taxes
44TOT>	44TOT>	Sch H Total SST Medicare Tax Computer S44
44FTX	44FTX	Section 44 FUTA Tax
44FTX>	44FTX>	Section 44 FUTA Tax Computer
44HTX>	44HTX>	Section 44 Household Employment Taxes Computer
44CR1>	44CR1>	Schedule H Reduction State 1 Computer
44CR2>	44CR2>	Schedule H Reduction State 2 Computer
44CR3>	44CR3>	Schedule H Reduction State 3 Computer
44CR4>	44CR4>	Schedule H Reduction State 4 Computer
44CR5>	44CR5>	Schedule H Reduction State 5 Computer Section 44 Present/Not Present
	S45NP	Section 45 Not Present
	4508D	Section 45 Total Social Security/Medicare/Federal Taxes
	45TOT>	Sch H Total SST Medicare Tax Computer S45
	45FTX	Section 45 FUTA Tax
	45FTX>	Section 45 FUTA Tax Computer
	45HTX>	Section 45 Household Employment Taxes Computer
	45CR1>	Schedule H Reduction State 1 Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
	45CR2>	Schedule H Reduction State 2 Computer
	45CR3>	Schedule H Reduction State 3 Computer
	45CR4>	Schedule H Reduction State 4 Computer
	45CR5>	Schedule H Reduction State 5 Computer

Note: The fields displayed for EC 626 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 326.

3.22.3.239.2
(01-01-2024)

**Allowable Taxpayer
Notice Codes - EC 326 -
Form 1040-SS (sp)**

- (1) In addition to the TPNCs listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 326*, the following TPNCs are valid for Form 1040-SS (sp).

TPNC	Literal
367	<p>We changed the household employment taxes. The amount of cash wages reported on Schedule H, Household Employment Taxes, for your household employee was not enough to be considered taxable</p> <ul style="list-style-type: none"> Corregimos las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. La cantidad de los sueldos de dinero en efectivo reportada en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos, para su empleado no era suficiente para ser considerada sujeta a la contribución para propósitos de la contribución del empleo. Cualquier contribución retenida para el Seguro Social y Medicare debe devolverse a su empleado. Usted también puede que tenga que radicar la Forma W-2C en inglés, "Corrected Wage and Tax Statement" (Corregido el Sueldo y el Informe Contributivo), para corregir el Seguro Social y Medicare que usted reportó. (1040-SS (sp))
368	<p>We changed the amount of household employment taxes because there was an error on Schedule H, Household Employment Taxes.</p> <ul style="list-style-type: none"> Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva, porque hubo un error en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos. El error estaba en: El cómputo del total de la contribución en el Anexo H-PR y/o La transferencia de esa cantidad a su planilla contributiva. (1040-SS (sp))

TPNC	Literal
374	<p>We changed the refund or amount you owe based on your response to our previous correspondence.</p> <ul style="list-style-type: none"> • Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.

3.22.3.240
(01-01-2015)
**Error Code 327-
Schedule H Tax With No
Income**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 327* for screen display, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.241
(01-01-2015)
**Error Code 328 -
Repayment of the
First-Time Homebuyer's
Credit Form 5405
required on Forms other
than Form 1040**

- (1) EC 328 generates when:
- A return other than Form 1040 is filed
 - The NAP shows a repayment requirement for the First-Time Homebuyer Credit **AND**
 - First Time Homebuyer Credit Repayment Amount is not significant.

3.22.3.241.1
(01-01-2024)
**Fields Displayed - EC
328**

- (1) The following fields are displayed for EC 328.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
02RI	02RI	Revalidation Indicator
01TXP	01TXP	Tax Period
01FSC	01FSC	Filing Status Code
01CCC	01CCC	Computer Condition Code
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
01PS	01PS	Primary TIN
01PNC	01PNC	Primary Name Control
>>>>	>>>>	NAP EIF Name Control Underprint
	01SS	Secondary TIN
01SNC	01SNC	Secondary Name Control
>>>>	>>>>	NAP EIF Secondary Name Control

1040-NR	1040-SS (sp)/1040-SS	Field Title
05FHB		First Time Homebuyer Credit Repayment Amount
>>>>		Combined First Time Homebuyer Credit Repayment Computer
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
PNFH>	PNFH>	Primary NAP First-Time Homebuyer Credit
PNRI>	PNRI>	Primary NAP FTHBC Repayment Installment
58SSN		Section 58 Social Security number
5803		Section 58 Disposition Code
5808		Section 58 Homebuyer Credit Repayment
58FRC>		Section 58 Homebuyer Credit Repayment Computer
		F5405 Homebuyer Credit Repayment S58 Computer
	SNFH>	Secondary NAP First Time Homebuyer Credit Amount
	SNRI>	Secondary NAP First Time Homebuyer Credit Repayment Installment
		Secondary NAP Duplicate Homebuyer Credit Indicator
		F5405 Homebuyer Credit Repayment S59 Computer
S58NP	S58NP/ S59NP	Section 58/59 Not Present

3.22.3.241.2

(01-01-2024)

**Field PNRI>/SNRI> -
FTHBC Primary/
Secondary NAP
Repayment Installment**

- (1) Taxpayers who claimed the First-Time Homebuyer Credit on their 2008 return for a home purchased in 2008 are required to repay the credit with annual installment payments. The required annual installment payment is 1/15 of the credit received, to be paid over 15 consecutive years. Taxpayers who claimed the credit with a joint return are considered to have received half of the credit each.
- (2) Follow correction procedures listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*. However, **TPNC 348** should be issued in lieu of TPNC 648 for Form 1040-NR, Form 1040-SS (sp) and Form 1040-SS.

3.22.3.242

(01-01-2024)

**Error Code 329 -
Repayment of the
First-Time Homebuyer
Credit (Form 5405)**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 329* for invalid conditions and correction procedures, with these exceptions:
 - a. Assign TPNC 348 instead of TPNC 648 for Form 1040-NR, Form 1040-SS (sp), and Form 1040-SS.

3.22.3.242.1
(01-01-2024)

(1) The following fields are displayed for EC 329.

**Fields Displayed - EC
329**

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01CCC	01CCC	Computer Condition Code
01RPC	01RPC	Return Processing Code Field
01SPC	01SPC	Special Processing Code
01PS	01PS	Primary TIN
01PNC	01PNC	Primary Name Control
>>>>	>>>>	NAP EIF Primary Name Control Underprint
	01SS	Secondary TIN
	01SNC	Secondary Name Control
	>>>>	NAP EIF Secondary Name Control
05FHB		First Time Homebuyer Credit Repayment
>>>>		Combined First Time Homebuyer Credit Repayment Computer
03TAX	03TAX	Total Tax IMF
>>>>	>>>	Total Tax IMF Computer
58SSN		Form 5405 SSN Section 58 Number
5801		Date of Disposition of Home or Change in Status of Home
5803		Form 5405 Disposition Section 58 Code
5804		Credit Claimed Prior Years
5805		Repayment of Home Purchased in 2008
5807		Gain On Sale Main Home Section 58 Amount
	PNFH>	Primary NAP First Time Home Buyer Credit Amount
	PNRI	Primary NAP First Time Home Buyer Installment Amount
5808		Homebuyer Credit Repayment Section 58 Amount
58FRC>		Form 5405 Homebuyer Credit Repayment Section 58 Computer
5808V		Homebuyer Credit Repayment Section 58 Verified Amount
PNFH>	PNFH>	Primary NAP First Time Homebuyer Credit Amount
PNRI>	PNRI>	Primary NAP First Time Homebuyer Credit Repayment Installment
		Homebuyer Credit Repayment Section 58 Amount

1040-NR	1040-SS (sp)/1040-SS	Field Title
		Form 5405 Homebuyer Credit Repayment Section 58 Computer
		Homebuyer Credit Repayment Section 58 Verified Amount
		Form 5405 SSN Section 58 Number
		Date of Disposition of Home or Change in Status of Home
		Form 5405 Disposition Section 58 Code
		Credit Claimed Prior Years
		Repayment of Home Purchased in 2008
		Gain On Sale Main Home Section 58 Amount
	SNFH>	Secondary NAP First Time Homebuyer Credit Amount
	SNRI>	Secondary NAP First Time Homebuyer Credit Repayment Installment
		Homebuyer Credit Repayment Section 59 Amount
		Form 5405 Homebuyer Credit Repayment Section 59 Computer
		Homebuyer Credit Repayment Section 59 Verified Amount

3.22.3.242.2
(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 329**

- (1) The following TPNCs are valid for Form 1040-NR, Form 1040-SS (sp) and Form 1040-SS as indicated.

TPNC	Literal
	Any previously assigned TPNC
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

TPNC	Literal
348	<p>According to our records an installment payment is due for the First-Time Homebuyer Credit received with your 2008 tax return. You did not report the payment and did not include it in tax. We have calculated the required payment and added it to your tax return. (Form 1040-NR, Form 1040-SS)</p> <ul style="list-style-type: none"> Según nuestros registros, se debe un plazo de reintegro por el Crédito por la Compra de la Primera Vivienda que recibió usted al presentar su declaración de impuestos para el año 2008. Este plazo de reintegro se debió de haber añadido como un aumento al impuesto en el Formulario 1040, la declaración personal de impuestos federales. Nosotros hemos calculado el plazo de reintegro adeudado y ajustamos su impuesto total en la línea 6 de su Formulario 1040-SS (sp). (Form 1040-SS (sp))
649	<p>We changed your installment payment of the First-Time Homebuyer Credit on your return. We changed the payment because of one of the following:</p> <ul style="list-style-type: none"> You made an error in the computation of the payment owed. You transferred the payment incorrectly from Form 5405 to your tax return. You reported a disposition or change in the use of your main home that indicates you are not required to repay the First-Time Homebuyer Credit. According to our records, you are not required to repay the credit. A repayment of the credit is not required from a taxpayer who died in the tax year of the return.

3.22.3.243
(01-01-2015)
**Error Code 330 - Form
8889 Tax**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 330* for invalid conditions, correction procedures and allowable TPNCs.
- (2) In addition to the TPNCs listed in IRM 3.12.3 the following TPNC is valid for this Error Code:
 - 311 -We transferred the information from the tax form you filed and processed it as a Form 1040-NR.

3.22.3.243.1
(01-01-2023)
**Fields Displayed - EC
330**

- (1) The following fields are displayed for EC 330.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period

1040-NR	Field Title
04OTI	Other Income
03OTX	Total Other Taxes Amount
>>>>	Total Other Taxes Computer Amount
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
S52NP	Section 52 Not Present
5218	Part Year Coverage
5219	Qualified HSA Funding
5220	Total Income on HDHP Coverage
5221	Additional Tax on HDHP Coverage
>>>>	Additional Tax on HDHP Coverage Computer

3.22.3.244
(01-01-2024)
**Error Code 331 - Form
8959 Additional
Medicare Tax**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Error Code 331, Form 8959* for invalid conditions and correction procedures for all tax forms, and for TPNCs for Form 1040. For Form 1040-NR use the TPNCs listed for Form 8959 errors in EC 333 at IRM 3.22.3.246.3. For Form 1040-SS (sp) and Form 1040-SS see IRM 3.22.3.244.2 for additional instructions.

3.22.3.244.1
(03-12-2025)
**Fields Displayed - EC
331**

- (1) The following fields are displayed for EC 331.

1040-NR	1040-SS (sp)/ 1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01PS	01PS	Primary SSN
	01SS	Secondary SSN
05AMT		Form 8959 Additional Medicare Tax
7118	7118	Form 8959 Additional Medicare Tax Amount
7118>	7118>	Additional Medicare Tax Computer
7118V	7118V	Additional Medicare Tax Verified
03OTX	03OTX	Total Other Taxes Amount
>>>>		Total Other Taxes Computer Amount
03TAX	03TAX	Total Tax IMF

1040-NR	1040-SS (sp)/ 1040-SS	Field Title
>>>>	>>>>	Total Tax IMF Computer
7101	7101	Medicare Wages
7102	7102	Unreported Tips from Form 4137
2406		Section 24 Unreported Tips
7103	7103	Unreported Wages from Form 8919
6106	6106	Form 8919 Section 61 Total Wages
	6206	Form 8919 Section 62 Total Wages
7107	7107	Additional Medicare Tax on Wages
7107>	7107>	Additional Medicare Tax on Wages Computer
17TNE>	17TNE>	Section 17 Total Net Earnings Computer
	18TNE>	Section 18 Total Net Earnings Computer
7108	7108	Section 71 Self-Employment Income
7113	7113	Additional Medicare Tax on Self-Employment Income
7113>	7113>	Additional Medicare Tax on Self-Employment Income Computer
7114	7114	Railroad Retirement Compensation
7117	7117	Tier I Additional Medicare Tax
7117>	7117>	Tier I Additional Medicare Tax Computer
7119	7119	Medicare Tax Withheld
7121>	7121>	Medicare Tax Withholding Computer
7122>	7122>	Additional Medicare Tax Withholding on Medicare Wages Computer
7123	7123	Tier I Additional Medicare Tax Box 14 W-2
7124	7124	Total Additional Medicare Tax Withholding
7124>	7124>	Total Additional Medicare Tax Withholding Computer

3.22.3.244.2
(01-01-2024)

**Correction Procedures -
Form 8959 and Form
1040-SS (sp) and Form
1040-SS**

- (1) Follow the correction procedures for EC 331 in IRM 3.12.3. All references to Form W-2 in these instructions also apply to Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR.
- (2) For Form 499R-2/W-2PR, Medicare wages and tips are reported in Box 19 (Box 5 on Form W-2) and Medicare tax withheld is reported in Box 20 (Box 6

on Form W-2). If corresponding for support of line 19 or 23 of Form 8959 per EC 331 instructions, then SSPND 215 using Form 13975 and select fill-in paragraph PD (Form 1040-SS (sp)) or PJ (Form 1040-SS) in Exhibit 3.22.3-13.

- (3) If Field 03TAX is blank and lines 3 through 6 are blank on the tax form, enter "1.00" in Field 03TAX before entering "C" in the clear field to generate EC 334. After clearing EC 331, EC 334 will generate. See EC 334 at IRM 3.22.3.247.8 for a list of TPNCs to assign on Form 1040(PR) and Form 1040-SS for Form 8959 errors.

3.22.3.245
(01-01-2026)
**Error Code 332 Form
8960, Net Investment
Income Tax-Individuals,
Estates, and Trusts**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 332* for invalid conditions and IRM 3.12.3 and IRM 3.22.3 for correction procedures.

3.22.3.245.1
(01-01-2025)
**Fields Displayed - EC
332**

- (1) The following fields are displayed for EC 332.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01PS	Primary SSN
05NIT	Form 8960 Net Investment Income Tax
7217	Net Investment Income Tax
7217>	Net Investment Income Tax Computer
7217V	Net Investment Income Tax Verified
03OTX	Total Other Taxes Amount
>>>>	Total Other Taxes Computer Amount
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
72IND	Investment Income Checkboxes
7201	Section 72 Taxable Interest
03INT	Taxable Interest
7202	Section 72 Ordinary Dividends
03DIV	Ordinary Dividends
7203	Annuities from Non-Qualified Plans
7204A	Section 72 Rent Royalties Partnerships
0405	Schedule E Profit Loss

1040-NR	Field Title
>>>>	Schedule E Profit Loss Computer
7204B	Adjustment for Net Income or Loss
7204C>	Part I First Checkpoint Computer
03CGL	Schedule D Profit Loss
>>>>	Schedule D Profit Loss Computer
0404	Other Gains Losses
7205A	Net Gains from Disposition of Property
7205B	Net Gain or Loss
7205C	Adjustment from Disposition of Partnership Interest S Corp
7205D>	Part I Second Checkpoint Computer
7206	Traders Net Gain Loss
7207	Other Modifications to Investment Income
7208	Total Investment Income
7208>	Total Investment Income Computer
7209A	Investment Interest Expense
7209B	State Income Tax
7209C	Miscellaneous Investment Expenses
7209D>	Deductions Computer
7210	Additional Modifications
7211	Total Deductions and Modifications
7211>	Total Deductions and Modifications Computer
7212>	Net Investment Income Computer
7213	Modified Adjusted Gross Income
7214>	Filing Status Threshold Computer
7215>	Part III Checkpoint Computer
7216	Form 8960 Taxable Investment Income
7216>	Form 8960 Taxable Investment Income Computer

3.22.3.245.2
(01-01-2026)

**Correction Procedures
for Form 8960, Net
Investment Income
Tax-Individuals, Estates,
and Trusts - Dual-Status**

- (1) A Dual-status taxpayer is subject to Net Investment Income Tax only for the part of the year during which the taxpayer is a U.S. resident. If Field 7208 is less than Field 7208>, enter the taxpayer amount on line 17 of Form 8960 in Field 7217V.

3.22.3.246
(11-08-2021)

**Error Code 333 - Form
8959 and Form 8960 and
Other Taxes (Schedule
2, Line 18, Form 1040
and Form 1040-NR)**

- (1) Error Code 333 generates when Total Other Taxes Amount is not equal to Total Other Taxes Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 333* and IRM 3.22.3 for invalid conditions, correction procedures for all forms, and allowable TPNCs.

3.22.3.246.1
(01-01-2025)

**Fields Displayed - EC
333**

- (1) The following fields are displayed for EC 333.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
05USS	Unpaid Tax on Tips SST
05III	Interest Due on Deferred Tax (IRC 453 Tax; Code A)
05IDT	Interest on Deferred Tax (IRC 453 Tax; Code A)
05LIR	Form 8611 Recapture Amount
05TAT	Total Additional Tax
03OTX	Total Other Taxes Amount
>>>>>	Total Other Taxes Computer Amount
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer
S71NP	Section 71 Not Present
05AMT	Form 8959 Additional Medicare Tax
7118	Form 8959 Additional Medicare Tax Amount
7118>	Additional Medicare Tax Computer
7118V	Additional Medicare Tax Verified
S72NP	Section 72 Not Present
05NIT	Form 8960 Net Investment Income Tax
7217	Net Investment Income Tax
7217>	Net Investment Income Tax Computer
7217V	Net Investment Income Tax Verified

1040-NR	Field Title
5217B	Additional Percentage Distribution Tax Amount
5221	HDHP Failure Additional Tax Amount Section 52
>>>>	Form 8889 Additional Tax Section 52 Computer
S52NP	Section 52 Not Present

3.22.3.246.2
(01-01-2026)
**Correction Procedures -
Form 8960, Net
Investment Income
Tax-Individuals, Estates,
and Trusts, Form 1040
(EC 333)**

- (1) If the taxpayer's entry for Other Taxes in Field 03OTX does not match the computer's Other Taxes underprint, and the taxpayer did not transfer an amount from line 17, Form 8960, to Schedule 2, line 12, Form 1040, then search the return for an indication that the taxpayer is claiming an exemption from the Net Investment Income Tax based on a treaty or social security agreement (e.g., "exempt", "SSTA", Canada pension plan). If found, assign TPNC 409.

3.22.3.246.3
(11-08-2021)
**Correction Procedures -
Form 8959, Additional
Medicare Tax, on Form
1040-NR (EC 333)**

- (1) If the taxpayer made an error in computing line 7, Form 8959, on Form 1040-NR, assign TPNC 352.
- (2) If the taxpayer made an error in computing line 13, Form 8959, on Form 1040-NR, assign TPNC 353.
- (3) If the taxpayer made an error in computing line 17, Form 8959, on Form 1040-NR, assign TPNC 354.
- (4) If the taxpayer made an error in computing line 24, Form 8959, on Form 1040-NR, assign TPNC 355 when EC 366 displays.
- (5) If the taxpayer made an error in transferring line 18, Form 8959, to line 11, Schedule 2 (TY19, line 60 on Form 1040-NR), assign TPNC 356.
- (6) If the taxpayer made an error in transferring line 24 of Form 8959 to line 25c (TY19, line 62a) on Form 1040-NR, assign TPNC 357 when EC 366 displays.

3.22.3.246.4
(11-08-2021)
**Correction Procedures -
Dual-Status Form
1040-NR Shared
Responsibility Payment**

- (1) If a dual-status Form 1040-NR has an amount on line 60 (TY18 and prior) for the Shared Responsibility Payment (from Schedule 4, line 61 on the Form 1040 statement) then enter the amount in Field 05TAT.

3.22.3.246.5
(11-08-2021)
**Correction Procedures -
Form 8959 and Form
8960 and Other Taxes,
Line 18, Schedule 2,
Form 1040-NR**

- (1) Taxpayers use line 18, Schedule 2 (TY20, Line 8; TY19, line 60 on Form 1040-NR) to report any taxes not reported elsewhere on your return. Taxpayers are instructed to enter the amount of tax and a code that identifies the type of tax.
- (2) If the phrase **OVDP** or **Offshore Voluntary Disclosure Program** or a variation thereof appears beside the taxpayer's entry for other taxes, refer the return to CI with **SSPND 332**. Write **OVDP Quiet Disclosure** on Form 4227.

3.22.3.246.6
(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 333**

- (1) The following TPNCs are valid for Form 1040-NR, Form 1040-SS (sp) and Form 1040-SS as indicated.

TPNC	Literal
	Any previously assigned TPNC
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
352	We changed the amount reported on line 7, Form 8959. (Form 1040-NR/PR/SS)
353	We changed the amount reported on line 13, Form 8959. (Form 1040-NR/PR/SS)
354	We changed the amount reported on line 17, Form 8959. (Form 1040-NR/PR/SS)
356	An error was made in transferring from line 18, Form 8959 to your tax return. (Form 1040-NR/PR/SS)
357	An error was made transferring from line 24, Form 8959, to your tax return. (Form 1040-NR/PR/SS)
734	We changed the other taxes you reported because you made an error in totaling the taxes on Schedule 2, Additional Taxes, or transferring the amount to your tax return, or there was no explanation attached.

3.22.3.247
(01-01-2015)

**Error Code 334 - Total
Tax**

- (1) EC 334 generates when Total Tax Taxpayer is not equal to Total Tax Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Error Code 334, Total Tax* for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.247.1
(03-12-2025)

**Fields Displayed - EC
334**

- (1) The following fields are displayed for EC 334.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC		Filing Status Code
01TXP		Tax Period
01SPC		Special Processing Code
		Exemption Code
		Exemption Code Verified
03INC		Taxable Income
>>>>		Taxable Income Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
03TTX		Tentative Tax
>>>>		Tentative Tax Computer
		Tentative Tax Verified
05202		Alternative Minimum Tax
>>>>		Alternative Minimum Tax Computer
0521A		Advance Premium Tax Credit Repayment
0521A>		Computed APTC Repayment Amount
03TBC>		Income Tax Before Credits Computer
03NRC		Total Statutory Credits
>>>>		Total Statutory Credits Computer
03TAC>		Tax After Personal Credits Computer (PY)
03TNC		Tax on Income Not Effectively Connected
>>>>		Tax on Income Not Effectively Connected Computer
05204	0503	Combined SE Tax
>>>>	>>>>	Combined SE Tax Computer
05SSM		Unreported Social Security and Medicare Tax for Form 4137 and 8919
>>>>		Unreported Social Security and Medicare Tax for Form 4137 and 8919 Computer
05IRA		Combined Tax on Retirement Plans
05IRA>		Combined Tax on IRA and Re- tirement Plans Computer
29DX>		Tax on Early Distributions Computer
05HSH	05HSH	Household Employment Tax Amount

1040-NR	1040-SS (sp)/1040-SS	Field Title
>>>>	>>>>	Household Employment Tax Amount Computer
05FHB		First Time Home Buyer Repayment from Form 5405
>>>>		Combined First Time Homebuyer Credit Repayment
PNFH>		Primary NAP First Time Homebuyer Credit
PNRI>	PNRI>	Primary NAP First Time Homebuyer Installment
58FRC>		Form 5405 Homebuyer Credit Repayment Computer
	SNRI>	Secondary NAP First Time Homebuyer Installment
		Form 5405 Homebuyer Credit Repayment Computer
03GTT		Gross Transportation Tax
	S71NP	Section 71 Not Present
	7118	Additional Medicare Tax Computer
7118>	7118>	Additional Medicare Tax Computer
S72NP		Section 72 Not Present
7217>		Net Investment Income Tax Computer
5221		HDHP Failure Additional Tax
>>>>		Form 8889 Additional Tax Computer
05USS		Uncollected Tax on Tips
05LIR		Form 8611 Recapture Amount
05TAT		Total Additional Taxes
03OTX	03OTX	Total Other Taxes Amount
>>>>		Total Other Taxes Computer Amount
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
94TXV	94TXV	Total Tax Verified

1040-NR	1040-SS (sp)/1040-SS	Field Title
S46NP		Section 46 Not Present
4613A		10 percent Tax Rate Total Income
4613B		15 percent Tax Rate Total Income
4613C		30 percent Tax Rate Total Income
46TR1		Tax Rate Income Taxpayer Percentage 1
46TR2		Tax Rate Income Taxpayer Percentage 2
46131		XX percent Tax Rate Total Income
46132		YY percent Tax Rate Total Income
	03BDR>	Balance Due/Refund Taxpayer
	>>>>	Balance Due/Refund Computer

3.22.3.247.2
(11-27-2020)

**Correction Procedures -
EC 334 Form 1040-NR
Line 23a Tax on Income
Not-Effectively
Connected (NEC)**

- (1) Tax on income not effectively connected (NEC) with a United States trade or business is reported on Schedule NEC of Form 1040-NR. The amount on Schedule NEC, line 15, is transferred to line 23a (TY19, line 54) of Form 1040-NR.
- (2) Follow the instructions in EC 311 for validating tax on line 23a (TY19, line 54) before assigning TPNCs related to errors in NEC income and tax rates (see EC 311 at IRM 3.22.3.233.3). If Code & Edit edited line 23a (TY19, line 54) in red ink, and edited line 24 (TY19, line 61) with the same amount, enter the original taxpayer amount for line 24, (TY19, line 61) in Field 03TAX.

3.22.3.247.3
(11-08-2021)

**Correction Procedures -
EC 334 Form 1040-NR
Total Tax**

- (1) **Total Tax Discrepancy** - Follow instruction below.

If	Then
Total tax underprints with a lesser amount and an amount is present on line 23a (TY19, line 54),	Follow the instructions for line 23a (TY19, line 54) at IRM 3.22.3.247.2.
Form 1040-NR includes a write-in amount for a health care shared responsibility payment (SRP) and the return is a dual-status return,	Enter the amount in 05TAT.
Form 1040-NR includes an amount for a health care shared responsibility payment (SRP) and the return is not a dual-status return,	Assign TPNC 393. Note: Nonresident aliens aren't required to maintain health insurance.

3.22.3.247.4
(04-28-2022)

**Correction Procedures -
EC 334 Form 1040
Social Security and
Railroad Retirement
Benefits (SSA/RRB
1042-S)**

- (1) Withholding on Form SSA/RRB 1042-S is refundable by SSA or IRS if the tax was incorrectly withheld. If SSA cannot refund the taxes withheld, the taxpayer must file Form 1040. To determine if they are entitled to the refund, **all of the following information must be submitted** with the tax return.
 - a. A copy of the Form SSA-1042-S, Social Security Benefits and
 - b. A copy of the "green card" for the same taxpayer listed on the SSA/RRB 1042-S and,
 - c. A signed declaration or similar statement.
- (2) Take the following action in the If and Then chart below:

If	And	Then
Form 1040 with Form(s) SSA 1042-S and/or RRB 1042-S is filed,	<p>The taxpayer (for the same taxpayer listed on the SSA/RRB 1042-S) has attached a green card and signed the Declaration or signed Statement with similar words, (see Declaration below) "The SSA withheld taxes erroneously because I am a U.S. permanent resident and my green card has been neither revoked nor administratively or judicially determined to have been abandoned. I am filing a U.S. income tax return for the taxable year as a resident alien reporting all my worldwide income. I have not claimed benefits for the taxable year under an income tax treaty as a nonresident alien."</p> <p>Note: Disregard the expiration date if indicated on the green card. Per Pub 519 green cards are valid after the expiration date.</p>	Allow the refund of withholding tax in Field 03WH, Form 1040

If	And	Then
Form 1040 with Form(s) SSA 1042-S and/or RRB 1042-S is filed,	There is no green card and signed declaration or similar statement,	SSPND 215 selecting paragraph M on Form 13900 and request the missing information. Note: Before corresponding, determine if the withholding is allowed due to one of the exceptions listed below.

- (3) **Exception:** Although Code & Edit will move SSA/RRB 1042-S withholding to the dotted portion of line 33 (TY19, line 19), Form 1040 for ERS review, if any of the conditions listed below exist process the return without citizenship or residency documentation. Allow the withholding by entering the taxpayer's amount in Field 03WH, Form 1040:

- Form 1040 on which the taxpayer reports worldwide income (Wages, Interest, Investment Income, Self-employment Income, SE Tax, etc.) along with SSA/RRB benefits are not subject to the 30 percent tax rate and should be processed without citizenship or residency documentation. Process per normal Form 1040 procedures.
- Nonresident aliens who file jointly with a U.S. citizen and elect to be treated as resident aliens for tax purposes are not subject to the 30 percent tax rate. Such joint returns are to be processed per normal Form 1040 procedures.
- Residents of a U.S. territory are not subject to the 30 percent tax rate. Such returns are to be processed per normal Form 1040 procedures.

3.22.3.247.5
(06-20-2023)

**Correction Procedures -
EC 334 Dual-status
Returns**

- (1) If a dual-status taxpayer with Form 1040-NR as the controlling return has included an amount for the **Shared Responsibility Payment** (TY18 Schedule 4, line 61, on Form 1040 statement) for TY18 and prior in Total Tax, then enter the amount in Field 05TAT. If the amount claimed for the shared responsibility payment is greater than the maximum payment amount (\$16,980 TY18; \$16,320 TY17; \$13,380 TY16; \$12,420 TY15; \$12,240 TY14) add the maximum amount to Field 05TAT instead of the taxpayers amount. If EC 334 generates for this condition assign TPNC 813.
- (2) If a dual-status taxpayer is including additional tax on the dotted portion of the total tax on Schedule 2, line 10 of Form 1040, or line 24 (TY19, line 61) of the Form 1040-NR including tax from Form 8960, Net Investment Income Tax, and amounts for the Shared Responsibility Payment, ensure the taxpayer added the amounts from both the controlling tax return and the statement return and enter them on the total tax line of the controlling return.

If	Then
The taxpayer correctly added the total tax amount from both returns,	Enter the taxpayer amount for total tax in Field 94TXV (Form 1040 or Form 1040-NR)
The taxpayer did NOT correctly add the total tax amount from both returns,	<ol style="list-style-type: none"> 1. Enter the correct amount for total tax in Field 94TXV (Form 1040 or Form 1040-NR) 2. Assign one of the following TPNCs: <ol style="list-style-type: none"> a. If Form 1040 is the controlling return, assign TPNC 326. b. If Form 1040-NR is the controlling return, Assign TPNC 446

3.22.3.247.6
(01-01-2026)

**Correction Procedures -
EC 334 FTHBC
Repayment Field
PNRI>/SNRI> (Form
1040/Form
1040-NR/Form 1040-SS
(sp)/Form 1040-SS)**

- (1) Taxpayers who claimed the First-Time Homebuyer Credit (FTHBC) on their 2008 return for a home purchased in 2008 are required to repay the credit with annual installment payments. The required annual installment payment is 1/15 of the credit received, to be paid over 15 consecutive years. Taxpayers who claimed the credit with a joint return are considered to have received half of the credit each.
- (2) Follow correction procedures listed in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 328*. However, **TPNC 348** should be issued in lieu of TPNC 648 for Form 1040-SS (sp).

3.22.3.247.7
(01-01-2025)

**Correction Procedures -
EC 334 Form 1040-SS
(sp) and Form 1040-SS**

- (1) Tax from Form 8959, Additional Medicare Tax, is reported on line 5 of Form 1040-SS (sp) and Form 1040-SS. TPNCs for errors with Form 8959 are assigned at EC 334. Follow the instructions in IRM 3.22.3.247.7.1 if an amount is present on line 5 or Form 8959 is attached.
- (2) There are a few types of "Other Taxes" that are included in the total on line 6 of Form 1040-SS (sp)/Form 1040-SS including tax from Form 8919, Uncollected Social Security and Medicare Tax on Wages ("UT") and the Form 8885 Health Coverage Recapture Amount. If the total amount of line 6 does **NOT** equal the total of lines 3 through 6 do the following:

If	Then
The taxpayer indicated an amount on the dotted portion of line 6,	Add the amount from the dotted portion of line 6 to the total of lines 3 through 5 and enter in Field 94TXV.

If	Then
There is no amount on the dotted portion of line 6, or a math error still exists after entering the correct amount into Field 94TXV,	Assign TPNC 359 (Form 1040-SS (sp)) or TPNC 329 (Form 1040-SS)

3.22.3.247.7.1
(01-01-2025)

Form 8959, Additional Medicare Tax

- (1) Tax from Form 8959 is reported on Form 1040-SS (sp) and Form 1040-SS line 5, Additional Medicare Tax. Errors in the calculation of Form 8959 are identified in EC 331, IRM 3.22.3.244.
- (2) If no errors were identified at EC 331, compare Field 7118 to line 5 on Form 1040-SS (sp)/Form 1040-SS to determine if the taxpayer transferred this amount incorrectly from Form 8959.
- (3) Assign the appropriate TPNC(s) as described below if the taxpayer made an error figuring or transferring the amount to line 5.
 - a. If the taxpayer made an error in figuring or transferring Field 7107, assign TPNC 352.
 - b. If the taxpayer made an error in figuring or transferring Field 7113, assign TPNC 353.
 - c. If the taxpayer made an error in figuring or transferring Field 7117, assign TPNC 354.
 - d. If the taxpayer made an error in figuring or transferring Field 7118, assign TPNC 356.

Note: If "1.00" was entered in Field 03TAX, as instructed in the *Caution* in EC 331 instructions, then EC 370 may generate after assigning a TPNC at EC 334. Ripple these TPNCs at EC 370.

Note: These TPNCs are valid on Form 1040-NR, Form 1040-SS (sp), and Form 1040-SS, and the correct literal is selected systemically in English or Spanish as appropriate to the tax form.

- (4) If there is an entry on line 5 and no Form 8959 is attached, SSPND 215 and select paragraph O on Form 13975.

3.22.3.247.8
(11-03-2022)

Allowable Taxpayer Notice Codes - EC 334

- (1) The following TPNCs are used for EC 334.

TPNC	Literal
	Any previously assigned TPNC
100	
101	We computed your tax using FSC 1.
102	We recomputed your tax using FSC 2 (Form 1040)
103	We recomputed your tax using FSC 3
104	We recomputed your tax using FSC 4. (Form 1040)

TPNC	Literal
108	We recomputed your tax using FSC 1. You didn't show the name of the person who qualifies you for head of household filing status. (Form 1040)
176	Transferred AGI from page 1 to page 2 incorrectly.
200	We changed your total exemption amount based on the information you listed on Lines 6a - 6c. (Form 1040)
201	You didn't limit your exemptions correctly. You are required to apply the limit because of your AGI and filing status.
202	You can't claim an exemption for yourself when you can be claimed as a dependent on another person's return.
204	We disallowed the exemption for your spouse; can't use FSC 1 or FSC 4 and claim spouse as exemption. (Form 1040)
209	We changed the amount of tax shown on your return. The amount entered was incorrect based on your taxable income and filing status.
211	We changed the amount of tax shown on your return. The tax rates on Qualified Dividends and Capital Gains are generally lower than the standard rates. It appears your tax was not computed using these rates or the amount of tax was computed incorrectly.
217	Based on our computation of your taxable income, you don't owe any tax.
218	We computed your tax for you.
219	Figured Tentative Tax incorrectly.
230	We found an error in the addition of your alternative minimum tax to your tentative tax on page 2 of your return. (Form 1040-NR)
242	Adjusted Education credit - missing or invalid SSN; FSC 3; not an exemption. (Form 1040)
246	We didn't allow part or all of the amount claimed as retirement savings contribution credit. The credit is not allowed if you are not at least 18 years of age at the end of the Tax Year.
247	Computed or transferred Form 8880 incorrectly.
260	<p>We changed the amount claimed as other credits there was an error on Form 3800, General Business Credits. The error was in the:</p> <ul style="list-style-type: none"> • Computation of the 3800 credit. • Computation of the credit on Form 8826. • Computation of the credit on Form 8881. • Transfer of that amount to your tax return.

TPNC	Literal
264	You added your credits incorrectly.
265	You subtracted your credits from your tax incorrectly.
268	We changed the amount of self-employment tax on your tax return because there was an error on Schedule SE, Self-Employment Tax. The error was in one of the following: <ul style="list-style-type: none"> • Computation of the self-employment tax on Schedule SE. • Transfer of the amount to your return.
273	We reduced or removed the total self-employment tax on page 2 of your tax return. Your net earnings were less than \$400; therefore, they are not subject to self-employment tax.
275	Transferred Form 5329 incorrectly.
276	We changed the amount claimed as Additional Tax on your tax return because there was an error on Schedule 8812, Credits for Qualifying Children and Other Dependents. The error was in one of the following: <ul style="list-style-type: none"> • Advanced Child Tax Credit was not reconciled. • Advanced Child Tax Credit was reconciled incorrectly. • The amount was not transferred correctly to your return.
280	We changed the amount of household employment taxes on your tax return because there was an error on Schedule H, Household Employment Taxes. The error was in the: <ul style="list-style-type: none"> • Computation of the total tax on Schedule H and/or • Transfer of that amount to your tax return.
281	We adjusted the total tax to exclude the refundable interest from Form 8697.
282	You incorrectly added the amounts used to figure your total tax.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR because certain items reported on your tax return require you to file a Form 1040-NR. You do not need to send us another return to correct this error. The following paragraph(s) will explain any additional change(s) we made
321	Dual Status taxpayers cannot file a joint tax return. Based on the information on your return, you are making an election to be taxed as a resident alien for the entire tax year. We have changed your tax return accordingly. (Form 1040)
324	As dual status taxpayer, you aren't entitled to the standard deduction. We have changed your tax return accordingly.

TPNC	Literal
325	You did not combine the income from your Dual Status Statement to your Dual Status return correctly. We have adjusted your return accordingly.
326	You transferred your tax due on income not effectively connected to a U.S. trade or business incorrectly from your Form 1040-NR, Schedule NEC, to your Form 1040-NR, page 2. We have changed your tax return accordingly.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your dual status return using only Form 1040-NR. We have changed your tax return accordingly.
329	We changed the amount of total tax on line 6 of your Form 1040-SS because there was an error adding lines 3 through 5. (Form 1040-SS)
348	<p>According to our records an installment payment is due for the First-Time Homebuyer Credit received with your 2008 tax return. You did not report the payment and did not include it in tax. We have calculated the required payment and added it to your tax return. (Form 1040-NR, Form 1040-SS)</p> <ul style="list-style-type: none"> Según nuestros registros, se debe un plazo de reintegro por el Crédito por la Compra de la Primera Vivienda que recibió usted al presentar su declaración de impuestos para el año 2008. Este plazo de reintegro se debió de haber añadido como un aumento al impuesto en el Formulario 1040, la declaración personal de impuestos federales. Nosotros hemos calculado el plazo de reintegro adeudado y ajustamos su impuesto total en la línea 6 de su Formulario 1040-SS (sp). (Form 1040-SS (sp))
352	We changed the amount reported as Additional Medicare Tax, Form 8959 on your Form 1040-NR. There was an error computing Part I, line 7, Form 8959, Additional Medicare Tax.
353	We changed the amount reported as Additional Medicare Tax, Form 8959 on your Form 1040-NR. There was an error computing Part II, line 13 Form 8959, Additional Medicare Tax.
354	We changed the amount reported as Additional Medicare Tax, Form 8959 on your Form 1040-NR. There was an error computing Part III, line 17, Form 8959, Additional Medicare Tax.
356	We changed the amount of tax on your Form 1040-NR. There was an error in the transfer of the amount from line 18 of your Form 8959, Additional Medicare Tax, to your Form 1040-NR.

TPNC	Literal
359	We changed the amount of total tax on line 6 of your Form 1040-SS (sp). <ul style="list-style-type: none"> Corregimos la cantidad total de la contribución en la Línea 6 de su Forma 1040-SS (sp), porque sumando la Línea 3 hasta la 5 hubo un error. (1040-SS (sp))
393	Nonresident aliens are exempt from the individual shared responsibility payment (SRP). We adjusted your return accordingly. Any overpayment will be refunded to you.
409	We can't allow your tax treaty exemption. Your claim is not a valid treaty claim. We changed your return accordingly.
418	You aren't entitled to the standard deduction when you file Form 1040-NR. We changed your return accordingly.
423	Because your country of residence does not allow you to take exemptions for dependents, we have disallowed your Child Tax Credit and/or Additional Child Tax Credit.
424	We cannot allow the amount you claimed for education credit. Nonresident aliens are not eligible for this credit. We have adjusted your return accordingly.
426	You figured your total tax incorrectly on income not effectively connected with a U.S. trade or business on Form 1040-NR, Schedule NEC. We have changed your tax return accordingly.
427	You incorrectly transferred the amount of tax on income not effectively connected with a U.S. trade or business from Form 1040-NR, Schedule NEC to page 2. We have adjusted your return accordingly.
428	You figured your tax using an incorrect tax treaty rate. We have changed your tax return accordingly.
429	You figured your tax incorrectly on Form 1040-NR, page 2, using the tax tables. We refigured your tax using the 30% (or lower treaty) rate from Form 1040-NR, Schedule NEC. We have changed your tax return accordingly.
432	We can't allow the amount you reported for Income Tax Withheld At Source. You didn't attach Form 1042-S to verify the amount as required. We have changed your tax return accordingly.
443	You are not entitled to a refund of tax withheld on U.S. social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85% of your social security benefits are taxed at 30%. We have adjusted your return accordingly.
446	You transferred your tax due incorrectly from your Form 1040 to your Form 1040-NR. We have changed your tax return accordingly.

TPNC	Literal
447	Your tax rate for gambling winnings paid to nonresident aliens is 30%. We have changed your tax return accordingly.
448	Gambling winnings are exempt from tax due to a U.S. tax treaty with your country of residence. We have changed your tax return accordingly.
449	We changed the amount of taxable income on your tax return because the exemption amount was subtracted incorrectly.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
568	No reply - Form 8863 (Form 1040)
569	No Reply - Form 8880 (Form 1040)
592	No Reply - Schedule 8812
606	We didn't allow the exemption claimed for any dependent born after December 31 of the tax year of the return you filed.
649	<p>We changed your installment payment of the First-Time Homebuyer Credit on your return. We changed the payment because of one of the following:</p> <ul style="list-style-type: none"> You made an error in the computation of the payment owed. You transferred the payment incorrectly from Form 5405 to your tax return. You reported a disposition or change in the use of your main home that indicates you are not required to repay the First-Time Homebuyer Credit. According to our records, you are not required to repay the credit. A repayment of the credit is not required from a taxpayer who died in the tax year of the return.
650	The deceased taxpayer was not eligible for exclusion of income under IRC Section 692.
734	We changed the other taxes you reported because you made an error in totaling the taxes on Schedule 2, Additional Taxes, or transferring the amount to your tax return, there was no explanation attached.
759	We adjusted your tax return because you reported income or withholding from different tax years on your return. We processed your tax return with only the income earned and the tax withheld in the year of the tax return.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal

for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

- 3.22.3.248
(11-27-2020)
Error Code 336 - EIC TIN Qualification Indicator
- (1) EC 336 generates on Form 1040 when Earned Income Credit (EIC) is claimed and the primary, secondary, or EIC child NAP TIN Assignment Date is after the Tentative Return Due Date (T-DAT>), and when Schedule EIC is present and Field E-NUM> doesn't equal the number of EIC children claimed. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 336* for screen displays, invalid conditions, and correction procedures.
- 3.22.3.249
(01-01-2023)
Error Code 337/637 - Earned Income Tax Credit with Schedule EIC
- (1) EC 337 generates when Total Payments is not equal to Total Payments Computer and EIC data is inconsistent and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 337* for screen display and invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.
- 3.22.3.249.1
(01-01-2023)
Correction Procedures - EC 337 Form 1040
- (1) If wages are reported on Form 1040 and exempted by a valid **tax treaty** claim, then the exempted amount is not taxable and can't be included as earned income for computing Earned Income Tax Credit (EITC). If a taxpayer is claiming EITC and is exempting income with a valid tax treaty claim, follow these steps:
1. Manually compute earned income excluding the treaty exempt amount;
 2. Enter the correct amount of earned income in Field 94EIV; and
 3. If EC 337 regenerates, assign TPNC 285.
- (2) Taxpayers residing outside of the U.S. are generally not entitled to Earned Income Tax Credit (EITC). EITC claims on returns with addresses outside of the U.S. must be reviewed for eligibility. A taxpayer must live in the U.S. more than half of the year to be eligible for EITC. The U.S. includes the 50 states and the District of Columbia for this purpose and does not include U.S. territories. Follow instructions below to determine eligibility and corrective actions.

If	And	Then
The taxpayer does not claim EITC,		Edit RPC "B".
<p>The taxpayer claimed EITC and they are in the "U.S. military" stationed overseas or in one of the U.S. territories,</p> <p>a. Search signature area, Form W-2, and attachments for any of the following indications:</p> <ul style="list-style-type: none"> • United States Air Force • United States Army • United States Coast Guard • United States Marines • United States Navy • DCPS CIVPAY DIRECTORATE • DFAS - ATTN: Defense Finance and Accounting Service • USAF - Active Duty • DFAS - PMJFC/DE • Commanding Office USCG Human Resources Service Information Center 	They meet all the qualifying criteria to claim EITC,	<ol style="list-style-type: none"> 1. Refer to IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns, EC 337</i>, for complete instructions to validate EITC. 2. Allow the EITC when the taxpayer qualifies.
The taxpayer claimed EITC,	Excludes income under IRC 931, IRC 933, Form 4563,	<ol style="list-style-type: none"> 1. Enter RPC "B". 2. Assign TPNC 343.

If	And	Then
The taxpayer is claiming EITC and resides outside of the U.S. for part of the tax year,	It can be determined that the taxpayer lived in and moved from one of the 50 United States or District of Columbia during the tax year. Any one of the following criteria can be used to make this determination: <ol style="list-style-type: none"> State or Local tax paid on Form (s) W-2 Schedule C with United States address Taxpayer has a U.S. address on Form(s) W-2 	<ol style="list-style-type: none"> Refer to IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns, EC 337</i>, for complete instructions to validate the EITC. Allow the EITC when the taxpayer qualifies.
The taxpayer claims EITC,	Form(s) W-2 and the tax return have the same address that is outside of the United States,	<ol style="list-style-type: none"> Enter RPC "B" Assign TPNC 540.

(3) Form 1040 with Form 2555 - Take the following action:

If	And	Then
The taxpayer is excluding earned income on Form 2555,	Is claiming Earned Income Tax Credit,	<ol style="list-style-type: none"> Enter RPC "B". EC 366 generates, assign TPNC 540.

3.22.3.249.2
(01-01-2023)

**Correction Procedures -
EC 337 Dual-Status**

- Generally, you **cannot** receive the earned income credit if you are a nonresident alien for any part of the tax year.
- If a dual-status is claiming EIC disallow the EIC and assign TPNC 349

Exception: If the taxpayer files a joint return with a resident or resident alien and makes an election to be treated as a resident for the entire year, allow the credit. See IRM 3.22.3.190.2.3.1 for criteria required for the election.

3.22.3.250
(01-01-2023)

**Error Code 338/638 - EIC
without Schedule EIC**

- Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 338*, for screen display and invalid conditions, and refer to both IRM 3.22.3 and IRM 3.12.3 for correction procedures and allowable TPNCs.

3.22.3.250.1
(01-01-2023)

**Correction Procedures -
EC 338 Form 1040**

- (1) If wages are reported on Form 1040 and exempted by a valid **tax treaty** claim then the exempted amount is not taxable and is not included as earned income for computing Earned Income Tax Credit (EITC). If a taxpayer is claiming EITC and is exempting income with a valid tax treaty claim, follow these steps:
 1. Manually compute earned income excluding the treaty exempt amount;
 2. Enter the correct amount of earned income in Field 94EIV; and
 3. If EC 338 regenerates, assign TPNC 285.
- (2) Taxpayers residing outside of the U.S. are generally not entitled to Earned Income Tax Credit (EITC). EITC claims on returns with addresses outside of the U.S. must be reviewed for eligibility. A taxpayer must live in the U.S. more than half of the year to be eligible for EITC. The U.S. includes the 50 states and the District of Columbia and does not include U.S. Territories. Follow instructions below to determine eligibility and corrective actions.

If	And	Then
The taxpayer does not claim EITC,		Edit RPC "B".
<p>The taxpayer claimed EITC and they are in the "U.S. military" stationed overseas or in one of the U.S. territories,</p> <p>a. Search signature area, Form W-2, and attachments for any of the following indications:</p> <ul style="list-style-type: none"> • United States Air Force • United States Army • United States Coast Guard • United States Marines • United States Navy • DCPS CIVPAY DIRECTORATE • DFAS - ATTN: Defense Finance and Accounting Service • USAF - Active Duty • DFAS - PMJFC/DE • Commanding Office USCG Human Resources Service Information Center 	They meet all the qualifying criteria to claim EITC,	<ol style="list-style-type: none"> 1. Refer to IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns, EC 338</i>, for complete instructions to validate EITC. 2. Allow the EITC when the taxpayer qualifies.
The taxpayer claimed EITC,	Excludes income under IRC 931, IRC 933, Form 4563	<ol style="list-style-type: none"> 1. Enter RPC "B". 2. Assign TPNC 343.
The taxpayer is claiming EITC and resides outside of the U.S. for part of the tax year,	<p>It can be determined that the taxpayer lived in and moved from one of the 50 states or District of Columbia during the tax year. Any one of the following criteria can be used to make this determination:</p> <ol style="list-style-type: none"> a. State or Local tax paid on Form(s) W-2 b. Schedule C with United States address c. Taxpayer has a U.S. address on Form(s) W-2 	<ol style="list-style-type: none"> 1. Refer to IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns, EC 338</i>, for complete instructions to validate the EITC. 2. Allow the EITC when the taxpayer qualifies.

If	And	Then
The taxpayer claims EITC,	Form(s) W-2 and the tax return have the same address that is outside of the U.S.,	<ol style="list-style-type: none"> 1. Enter RPC "B". 2. Assign TPNC 540.

(3) Form 1040 with Form 2555 - Take the following action:

If	And	Then
The taxpayer is excluding earned income on Form 2555	Is claiming Earned Income Tax Credit,	<ol style="list-style-type: none"> 1. Enter RPC "B" 2. EC 366 generates, assign TPNC 540.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions*, concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.250.2
(01-01-2023)

**Correction Procedures -
EC 338 Dual-status**

- (1) Generally, you **cannot** get the earned income credit if you are a nonresident alien for any part of the tax year.
- (2) If a dual-status is claiming EIC, disallow the EIC and assign TPNC 349.

Exception: If the taxpayer files a joint return with a resident or resident alien and makes an election to be treated as a resident for the entire year, allow the credit. See IRM 3.22.3.190.2.3.1 for criteria required for the election.

3.22.3.251
(01-01-2025)

Error Code 342 -

- (1) EC 342 generates when the taxpayer's amount for Excess Social Security Tax (SST) or Railroad Retirement Tax (RTTA) does not agree with the computer.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 342* and IRM 3.22.3 for invalid conditions and correction procedures.

3.22.3.251.1
(01-01-2023)

Field Displayed - EC 342

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01CCC	Computer Condition Code
01SPC	Special Processing Code Field
03WG	W-2 Wages

1040-NR	Field Title
05USS	Unpaid SST Tax on Tips
03WH	Withholding from Form(s) W-2 or 1099
05ESS	Excess SST Withheld
94ESV	Excess Social Security Tax Withheld Verified Amount
97MEW>	MeF Excess Withholding

3.22.3.251.2
(11-08-2021)

**Correction Procedures -
EC 342**

(1) Form 1040-NR - Follow the instructions below:

If	And	Then
Taxpayer (usually "F", "J", "M" or "Q" visa holders) attempts to have Social Security tax refunded,	There is an indication that Code & Edit already issued a 513C letter	<ol style="list-style-type: none"> 1. Delete Social Security tax from Field 05310 and Field 03PAY 2. Adjust total payments and Balance Due/ Refund 3. Ensure there is a notation in upper left-hand corner of return 513C and Form 843 detached <p>Note: Do not assign TPNC</p>
	Code & Edit did NOT issue a 513C letter	<ol style="list-style-type: none"> 1. Send letter 513C 2. Delete Social Security tax from Field 05ESS and Field 03PAY, 3. Adjust total payments and Balance Due/ Refund 4. Notate in upper left-hand corner of return 513C and Form 843 detached <p>Note: Do not assign TPNC</p>

Exception: Nonresident aliens who file a joint return with a U.S. citizen electing to be treated as a resident alien for tax purposes are subject to U.S. tax rates and are to be processed under this Error Code.

Note: If Form 843 is attached, detach and route to Adjustments. Notate on Routing slip "detached from Form 1040-NR".

(2) Refer to EC 366 for specific Correction Procedures.

3.22.3.252
(01-01-2024)
**Error Code 343 -
Additional Child Tax
Credit for Puerto Rico
Residents**

- (1) EC 343 generates on electronically filed returns (MeF) to determine if a taxpayer is eligible to claim Additional Child Tax Credit (ACTC) on a Form 1040, and to identify filers from Puerto Rico who may file Form 1040-SS (sp) instead of Form 1040 to claim ACTC.
- (2) A Form 1040 must be filed by PR residents who have non-PR income to report. Taxpayers are **NOT** required to file a U.S. income tax return if **ALL** the income is from PR sources.
- (3) Bona Fide Residents of Puerto Rico who don't need to file a U.S. tax return may claim for TY20 and prior Additional Child Tax Credit on Form 1040-SS (sp) or Form 1040-SS with 3 or more qualifying children For TY21 and later taxpayers filing Form 1040-SS (sp) or Form 1040-SS can claim Additional Child Tax Credit or Refundable Child Tax Credit with 1 or more qualifying child. See IRM 3.22.3.10 for all conditions for Form 1040-SS (sp)/Form 1040-SS.

3.22.3.252.1
(01-01-2026)
Field Displayed - EC 343

- (1) The following fields are displayed EC 343.

1040	Field Title
01TXP	Tax Period
01EXC	Exemption Code
94EXV	Exemption Code Verified
01CCC	Computer Condition Code
01RPC	Return Processing Code
01SPC	Special Processing Code
T-DAT>	Tentative Return Due Date
01PAD>	Primary TIN Assignment Date
01PIC>	Primary NAP ITIN Status Code
01SAD>	Secondary TIN Assignment Date
01SIC>	Secondary NAP ITIN Status Code
01TCE>	Total Children Eligible for Child Tax Credit Computer
94CEV	Child Tax Credit Eligible Children Verified
01TDE>	Other Dependent Credit Total Eligible Number
94DEV	Other Dependent Credit Total Eligible Number Computer

1040	Field Title
02CT1	Child Tax and Other Dependent Credit Indicator 1
02YB1>	Year of Birth Indicator 1
02NP1>	Dependent NAP Access Indicator 1
02DC1>	Dependent 1 NAP ITIN Status Code
02AD1>	Dependent 1 NAP TIN Assignment Date
02CT2	Child Tax and Other Dependent Credit Indicator 2
02YB2>	Year of Birth Indicator 2
02NP2>	Dependent NAP Access Indicator 2
02DC2>	Dependent 2 NAP ITIN Status Code
02AD2>	Dependent 2 NAP TIN Assignment Date
02CT3	Child Tax and Other Dependent Credit Indicator 3
02YB3>	Year of Birth Indicator 3
02NP3>	Dependent NAP Access Indicator 3
02DC3>	Dependent 3 NAP ITIN Status Code
02AD3>	Dependent 3 NAP TIN Assignment Date
02CT4	Child Tax and Other Dependent Credit Indicator 4
02YB4>	Year of Birth Indicator 4
02NP4>	Dependent NAP Access Indicator 4
02DC4>	Dependent 4 NAP ITIN Status Code
02AD4>	Dependent 4 NAP TIN Assignment Date
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
TFIEX>	Total Foreign Income Exclusion Computer
	Tax Table Income Computer
03TBC>	Income Tax Before Credits Computer
03COD	Child Tax Credit
>>>>	Child Tax Credit Computer
03COD>	Gross Child Tax Credit Computer
94CDV	Child Tax Credit Verified
03TAX	Total Tax
>>>>	Total Tax Computer
03ACT	Additional Child Tax Credit

1040	Field Title
>>>>	Additional Child Tax Credit Computer
03ACT>	Gross Additional Child Tax Credit
94ACV	Additional Child Tax Credit Verified
S47NP	Section 47 Not Present
47NCP	Nontaxable Combat Pay
47EI>	Additional Child Tax Credit Earned Income Computer
47SSM	Total Social Security and Medicare Taxes

3.22.3.252.2
(11-08-2021)

Invalid Condition - EC 343

- (1) EC 343 generates when RPC “8” is present and when both the following conditions apply:

- a. Additional Child Tax Credit is significant
- b. Additional Child Tax Credit Verified is not significant.

Note: RPC 8 is generated on an electronically filed return when:

- All Form W-2 on the return have an employee address with state code of “PR” or Country Code of “RQ”; and/or
- The address on the return has a state code of “PR”, Schedule 8812 is present, and the number of claimed dependents is greater than 2.

Note: “RQ” may be used to indicate Puerto Rico in an address on Form W-2. It isn’t used in the mailing address on the tax return.

3.22.3.252.3
(03-20-2024)

Correction Procedures - EC 343

- (1) Taxpayers residing in Puerto Rico generally file a Form 1040-SS (sp) or Form 1040-SS to claim Additional Child Tax Credit (ACTC) for TY 20 and prior with 3 or more qualified children. For TY 21 and later taxpayers filing Form 1040-SS (sp) or Form 1040-SS can claim the Additional Child Tax Credit or Refundable Child Tax Credit with 1 or more qualifying children. However, there are a few exceptions such as U.S. military stationed in Puerto Rico, taxpayers who work seasonally in the United States, and employees of the U.S. government. Refer to the following paragraphs to determine if these exceptions apply.
- (2) If the taxpayer is reporting income as a **civilian or military employee of the United States government** or if there is any indication of IRC Section 933, delete RPC “8”. If EC 344 generates, follow the instructions for Form 1040 from Puerto Rico at IRM 3.22.3.253.3, including the instructions for “PYEI”.
- (3) If the taxpayer’s **only income is from Puerto Rico sources** (e.g., the addresses on the return and attachments including Form(s) W-2 are all in Puerto Rico) the taxpayer does **NOT** have a U.S. filing requirement. These returns should be returned to taxpayers explaining that they do NOT have a U.S. filing obligation and claims for ACTC should be filed on a Form 1040-SS (sp)/Form 1040-SS. See IRM 3.22.3.9.5.2 for rejection procedures.
- (4) If a taxpayer is reporting worldwide income, see the instructions in EC 366 IRM 3.22.3.264.3.2 when Form W-2 has Puerto Rico addresses for both the employer and employee and federal withholding is claimed.

- (5) If it can be determined that the taxpayer moved to or from one of the 50 United States or District of Columbia, delete RPC "8". If EC 344 generates, follow the instructions for Form 1040 and Form 1040A from Puerto Rico at IRM 3.22.3.253.3. The following criteria can be used to make this determination:
 - a. State or local income tax is reported on Form(s) W-2; and/or
 - b. Schedule C has a U.S. address; and/or
 - c. U.S. address for employer and/or employee is on Form(s) W-2.
- (6) A U.S. citizen or resident alien who is **a bona fide resident of Puerto Rico** as described in IRM 3.22.3.9.5.1(2) should report their worldwide income on a U.S. income tax return. On this return, they may exclude income already reported to Puerto Rico on their PR return under IRC 933. If worldwide income is reported, delete RPC "8". If EC 344 generates follow the instructions at IRM 3.22.3.253.3, including the instructions for "PYEI". These returns require manual computation to determine the correct allowable amount of Additional Child Tax Credit.
- (7) In rare cases, you will find a U.S. citizen or resident alien who is **not a bona fide resident of Puerto Rico** as described in IRM 3.22.3.9.5.1(2). These taxpayers should file a U.S. income tax return reporting income earned from worldwide sources and claim a foreign tax credit using Form 1116 for income taxes paid to PR. They are **NOT** allowed ACTC. If a non-bona fide resident of PR claims ACTC follow the steps below.
 1. Enter "1" in Field 94ACV (Form 1040)Suspend 410 and take to CARE analyst for referral to HQ.

3.22.3.253
(04-14-2025)
**Error Code 344 -
Additional Child Tax
Credit**

- (1) EC 344 generates when Additional Child Tax Credit is not equal to Additional Child Tax Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 344*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.
- (3) On TY 2021 returns If a box is checked on Schedule 8812, line 13a or line 13b, the Child Tax credit is fully refundable and is limited only by income phase-out amounts and any portion already advanced. The computer will limit or phase out the credit when the modified Adjusted Gross Income (AGI) is greater than or equal to \$75,000 (\$150,000 if FSC 2/5, \$112,500 if FSC 4/7). If either box 13a or 13b on Schedule 8812 is checked, the taxpayer receives \$3,600 for the number of dependents under age 6 plus \$3,000 for the remaining dependents ages 6 through under 18.
- (4) **On TY 2021 and prior returns, manually compute the credit and enter the correct amount in Field 94ACV prior to assigning a TPNC.**

Note: Programming will compute Additional Child Tax Credit based on the qualification rules for TY 202212 which includes SSN requirements, maximum credit of \$1,500 per child and AGI thresholds.

3.22.3.253.1
(01-01-2026)

**Fields Displayed - EC
344**

(1) The following fields are displayed for EC 344.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01EXC		Exemption Code
94EXV		Exemption Code Verified
01TXP		Tax Period
01PS		Primary TIN
01CCC	01CCC	Computer Condition Code
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
T-DAT>	T-DAT>	Tentative Return Due Date Computer
01PAD>	01PAD>	Primary NAP TIN Assignment Date
01PIC>	01PIC>	Primary ITIN Status Code
01TCE>	01TCE>	Child Tax Credit Total Eligible Number Computer
94CEV	94CEV	Child Tax Credit Total Eligible Verified Number
01TDE>		Other Dependent Credit Total Eligible Number
94DEV		Other Dependent Credit Total Eligible Verified Number
02DTR	02DTR	Dependent TIN Requirement
02MT4	02MT4	More Than 4 Dependents
02CT1	02CT1	Dependent 1 Child Tax and Other Dependent Credit Indicator
02YB1>	02YB1>	Dependent 1 Child Tax Credit Year of Birth
02NP1>	02NP1>	Dependent 1 NAP Access Indicator
02DC1>	02DC1>	Dependent 1 ITIN Status Code
02AD1>	02AD1>	Dependent 1 TIN Assignment Date
02CT2	02CT2	Dependent 2 Child Tax and Other Dependent Credit Indicator
02YB2>	02YB2>	Dependent 2 Child Tax Credit Year of Birth
02NP2>	02NP2>	Dependent 2 NAP Access Indicator
02DC2>	02DC2>	Dependent 2 ITIN Status Code
02AD2>	02AD2>	Dependent 2 TIN Assignment Date

1040-NR	1040-SS (sp)/1040-SS	Field Title
02CT3	02CT3	Dependent 3 Child Tax and Other Dependent Credit Indicator
02YB3>	02YB3>	Dependent 3 Child Tax Credit Year of Birth
02NP3>	02NP3>	Dependent 3 NAP Access Indicator
02DC3>	02DC3>	Dependent 3 ITIN Status Code
02AD3>	02AD3>	Dependent 3 TIN Assignment Date
02CT4	02CT4	Dependent 4 Child Tax and Other Dependent Credit Indicator
02YB4>	02YB4>	Dependent 4 Child Tax Credit Year of Birth
02NP4>	02NP4>	Dependent 4 NAP Access Indicator
02DC4>	02DC4>	Dependent 4 ITIN Status Code
02AD4>	02AD4>	Dependent 4 TIN Assignment Date
03AGI		Adjusted Gross Income
>>>>		Adjusted Gross Income Computer
03TTI>		Tax Table Income Computer
03TBC>		Income Tax Before Credits Computer
98CWB>		Credit Limit Worksheet B
03COD		Child and Other Dependent Credit Amount
>>>>		Child and Other Dependent Credit Computer Amount
03COD>		Gross Child and Other Dependent Credit Computer
94CDV		Child and Other Dependent Credit Verified Amount
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
	03ESP	Estimated Taxes
	05ESS	Excess Social Security Withheld
	03PYA	Prior Year Earned Income Additional Child Tax Credit Amount
03ACT	03ACT	Additional Child Tax Credit Amount
>>>>	>>>>	Additional Child Tax Credit Computer

1040-NR	1040-SS (sp)/1040-SS	Field Title
03ACT>	03ACT>	Gross Additional Child Tax Credit Computer
94ACV	94ACV	Additional Child Tax Credit Verified Amount
S47NP	S47NP	Section 47 Not Present
47NCP		Schedule 8812 Nontaxable Combat Pay
47EI		Additional Child Tax Credit Earned Income Tax Payer
47EI>		Earned Income Computer
47SSM	47SSM (TY20 and prior)	Total SS and Medicare Withheld Amount
	47PRI	Puerto Rico Source Income
03OEI		Additional Child Tax Credit Opt Out Election Indicator

3.22.3.253.2
(01-01-2026)

**Correction Procedures -
EC 344 Form 1040-SS
(sp)/Form 1040-SS
Additional Child Tax
Credit - Puerto Rico**

- (1) Credit for Other Dependents (ODC) is not a refundable credit and can't be claimed on Form 1040-SS (sp) or Form 1040-SS.
- (2) To claim additional child tax credit (ACTC) on Form 1040-SS (sp) or Form 1040-SS, all three of the following must apply:
 - The taxpayer is a bona fide resident of Puerto Rico, and
 - Social Security or Medicare taxes were withheld from wages, or these taxes were paid as tax on tips, or as self-employment (SE) tax, and
 - For TY 22 and later **One (1) or more** qualifying children are present on the form. For TY 20 and prior **Three (3) or more** qualifying children are present on the return.

- (3) For PY22 and prior Additional Child Tax Credit will be determined by the smaller of line 7 or line 14 from the Form 1040(PR) or Form 1040-SS Additional Child Tax Credit Worksheet found in the form instructions.

Note: The TY 2022 maximum credit amount for each qualifying child is \$1,500. The TY 2018 - TY 2021 maximum credit amount for each qualifying child is \$1,400. For prior years, the maximum credit amount is \$1,000 per child.

- (4) Additional Child Tax Credit cannot exceed the combined amount (line 14 Form 1040(PR)/Form 1040-SS worksheet) of:
 - One half of the SE tax from Part V, line 12
 - One half of the additional Medicare taxes paid on SE income (line 13, Form 8959)
 - Total withheld Social Security and Medicare taxes from Form 499R-2/W-2PR
 - Total employee Social Security and Medicare taxes on tips shown on the dotted portion next to Part I, line 6

- Total uncollected employee Social Security and Medicare tax shown on the dotted portion next to Part I, line 6
 - Additional Medicare taxes paid on wages (line 7, Form 8959)
 - Less any excess SE tax withheld (Part 1, line 8) and additional Medicare taxes withheld (line 22, Form 8959)
- (5) ERS examiners use the following criteria to determine a **Qualifying Child** for the purpose of additional child tax credit:
- For TY 2018 and later, the child must have a Social Security number (SSN) that was issued before the due date of the return for the tax year the ACTC is claimed. A child with an individual taxpayer identification number (ITIN) doesn't qualify for ACTC after TY 2017.
 - The child must be a U.S. citizen, U.S. national or a U.S. resident alien.
 - The child must be a son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, grandchild, niece, or nephew) of the taxpayer. A foster child is any child placed with a taxpayer by an authorized placement agency or by a judgment, decree, or other order of any court of competent jurisdiction,
 - The child must be younger than the taxpayer (or spouse, if filing jointly) or is permanently and totally disabled.
 - The child must be under age 17 at the end of the year,
 - The child must live with the taxpayer for more than half of the tax year.
- Exception:** There are exceptions for a child who is born or dies during the tax year and for certain kidnapped children. A temporary absence from the home of the taxpayer or the child due to special circumstances such as school, vacation, business, medical care, military orders or detention in a juvenile facility, may count as time lived together. A non-custodial parent may claim a child as a qualifying child for the child tax credit if the special rules for a child of divorced or separated parents or parents who live apart apply.
- (6) On Form 1040-SS (sp)/SS, Field 02CT1/2/3/4 are transcribed from the checkmark edited to the right of line 2c for every qualifying child. C&E edits "X" for the children that does not qualify for ACTC. For TY20 and prior, If there are fewer than 3 qualifying children, C&E "X" all dependents.
- (7) **Line 8 - Excess Social Security tax withheld.** If there is an entry present on line 8, follow procedures for Error Code 342 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 342*. EC 121 doesn't generate for Form 1040-SS (sp)/SS however the instructions in the error code apply.
- (8) **Primary and Secondary TIN Validation.** Follow these instructions to determine eligibility for ACTC based on Primary or Secondary TIN validation. For prior year returns use IMFOLT to check for a TC 460 on the tax year. If the TC 460 is present the TIN assignment date must be prior to the TC 460 date to be valid for the tax year.

If	Then, Form 1040-SS (sp)	Then, Form 1040-SS
a) All tax years the Primary TIN, or Secondary TIN if FSC 2, is missing or has a name control mismatch,	Assign TPNC 453	Assign TPNC 454
b) All tax years, the ITIN Status Code Indicator in Field 01PIC>, or Field 01SIC> if FSC 2, is I,	Assign TPNC 319	Assign TPNC 320
c) <ul style="list-style-type: none"> TY 2022 return Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is on or before April 18, 2023 TY 2020 return TIN Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is on or before May 17, 2021, TY 2019 return TIN Assignment Date in Field 01PAD> and Field 01SAD> if FSC 2, is on or before July 15, 2020, Caution: For all prior year tax periods if the TIN Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is on or before the TC 460 extension due date found on IMFOLT for the tax year,	Determine the total number of eligible dependents for ACTC claimed and enter in Field 94CEV	Determine the total number of eligible dependents for ACTC claimed and enter in Field 94CEV
d) <ul style="list-style-type: none"> TY 2022 return Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is after April 18, 2023 TY 2020 return TIN Assignment Date in Field 01PAD>, or Field 01SAD> if FSC 2, is after May 17, 2021, and no TC 460 on IMFOLT. TY 2019 TIN Assignment Date in Field 01PAD>, or Field 01SAD> if FSC 2, is after July 15, 2020, and no TC 460 on IMFOLT TY 2018 and prior TIN Assignment Date in Field 01PAD>, or Field 01SAD> if FSC 2, is after the date on Field T-DAT>, and no TC 460 on IMFOLT For all prior year tax returns The TIN Assignment Date in Field 01PAD>, or Field 01SAD> if FSC 2, is after the TC 460 extension due date found on IMFOLT for the tax year 	Assign TPNC 496	Assign TPNC 495

- (9) **Section 47.** Section 47 must be present for calculating ACTC. Section 47 is transcribed from Part II of Form 1040-SS (sp)/SS. Follow these instructions if Section 47 isn't present:

If	And	Then
a) The taxpayer is paying SE Tax on Part I, line 3,		GTSEC 47 and transmit.
b) The taxpayer is not paying SE Tax,	Page 2 is missing,	SSPND 215 and correspond for Part II and supporting documentation using Form 13975 <ul style="list-style-type: none"> • For tax year 2022 and prior use paragraph G, • For tax year 2023 and forward use paragraph F.

- (10) **Correction Procedures for Additional Child Tax Credit.** After following the instructions in paragraphs (8) and (9) above, follow all instructions in the paragraphs below to resolve errors with ACTC on Form 1040(PR) and Form 1040-SS.

Caution: A bona fide resident of Puerto Rico may be eligible for a special calculation of ACTC on TY 2017 Form 1040(PR)/SS due to Hurricane Irma or Maria Tax Relief. Carefully review TY 2017 claims using all of the following instructions before assigning TPNs.

- (11) **Field 47PRI (Part II, line 1).** ACTC is limited based on income derived from PR sources. This income limitation is computer calculated using the amount in Field 47PRI. If the taxpayer amount on line 9 of Form 1040(PR)/SS is less than the computer underprint for Field 03ACT, then take these steps:
- If an amount is present on line 1, Part II, then enter in Field 47PRI.
 - If line 1, Part II, is blank, add the wages from attached Form 499R-2/W-2PR and Form W2-PR to the profit (or loss) from parts III and IV of Form 1040(PR)/SS and enter in Field 47PRI.
 - For TY 2018 and later returns, if Field 47PRI is \$400,000.00 or more for Filing Status 2 (\$200,000.00 or more for all other filing status) see if any of the following conditions are present:
 - If Code & Edit has "X'd" additional dependents listed either on line 2, Part I of Form 1040(PR)/SS or on a statement
 - If it is a MeF return
 - If the return meets the criteria above, SSPND 490 and send the return to P&A to go to HQ. If the return does not meet the criteria continue with the instructions.
 - For TY 2017 and prior returns, continue with instructions below.
- (12) **Qualifying Child Verification.** Follow these instructions for verifying the eligibility of children claimed for ACTC. IF 1 or more children are qualified (for TY20 and prior if 3 or more children are qualified), also follow the instructions in paragraphs (13) - (14) before assigning these TPNs. For prior year returns use IMFOLT to check for a TC 460 on the tax year. If the TC 460 is present

the TIN assignment date must be prior to the TC 460 date to be valid for the tax year.

If	Then for Form 1040-SS (sp)	Then for Form 1040-SS
a) The return is for TY 201812 and later and Dependent claimed has an ITIN,	Assign TPNC 460	Assign TPNC 460
b) TIN is missing for dependent claimed for ACTC,	Assign TPNC 490.	Assign TPNC 475.
c) TIN and name control mismatch for dependent claimed for ACTC,	Assign TPNC 491.	Assign TPNC 476.
d) The child claimed for ACTC is over the age limit,	Assign TPNC 369.	Assign TPNC 339.
e) Dependent child claimed for ACTC has Dependent ITIN Status Code "I",	Assign TPNC 464.	Assign TPNC 464.
f) <ul style="list-style-type: none"> • TY 2022 return Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is on or before April 18, 2023 • TY 2020 return, Dependent TIN assignment date is after the date in Field T-DAT> but Dependent TIN assignment date is on or before May 17, 2021 • TY 2019 return, Dependent TIN assignment date is after the date in Field T-DAT> but The TIN assignment date for a child claimed for ACTC is on or before July 15, 2020 • TY 2018 and prior TIN assignment date for a child claimed for ACTC is greater than the date in Field T-DAT>, but before TC 460 date <p>Exception: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.</p>	Determine the total number of eligible dependents for ACTC claimed and enter in Field 94CEV. Note: Include the dependent with a TIN assignment date on or before the extended due date of the return and/or the TC 460 found on IMFOLT	Determine the total number of eligible dependents for ACTC claimed and enter in Field 94CEV. Note: Include the dependent with a TIN assignment date on or before the extended due date of the return and/or the TC 460 found on IMFOLT

If	Then for Form 1040-SS (sp)	Then for Form 1040-SS
g) <ul style="list-style-type: none"> • TY 2022 return Assignment Date in Field 01PAD>, and Field 01SAD> if FSC 2, is after April 18, 2023 • TY 2020 return, Dependent TIN assignment date is after May 17, 2021 and no TC 460 on IMFOLT • TY 2019 return, Dependent TIN assignment date is after July 15, 2020, and no TC 460 on IMFOLT • TY 2018 and prior return TIN assignment date for a child claimed for ACTC is greater than the date in Field T-DAT> and no TC 460 on IMFOLT • All Tax years The TIN assignment date is after the date of a TC 460 found on IMFOLT for the tax year, 	Assign TPNC 496 (Form 1040-SS (sp))	Assign TPNC 495 (Form 1040-SS)
o) The taxpayer tries to claim a child who was born after the end of the tax period of the return,	Assign TPNC 493.	Assign TPNC 493.
p) <ol style="list-style-type: none"> 1. TY22 and later - More than four children are claimed for ACTC and one or more qualify for ACTC, 2. TY20 and prior - More than four children are claimed for ACTC and three or more qualify for ACTC, 	Enter the total number of qualified children in Field 94CEV.	Enter the total number of qualified children in Field 94CEV.
q) <ol style="list-style-type: none"> 1. TY22 and later - Taxpayer lists less than 1 valid child 2. Taxpayer lists less than 3 valid children, 	Assign TPNC 492.	Assign TPNC 477.

(13) Social security and Medicare tax withheld and one-half of SE tax are used in the calculation of ACTC. For tax years **other than TY 2017** follow these additional instructions to resolve EC 344.

Note: In response to Hurricane Irma and Maria, special procedures are allowed for TY 2017 returns. Follow the instructions in paragraph (14) below.

If	Then Form 1040-SS (sp)	Then Form 1040-SS
a) An amount is present in Field 47SSM (TY23 and later, Part II, line 13a; TY22 and prior, Part II line 2),	Documentation must be present to support the amount, such as Puerto Rico Form(s) W-2PR or Form(s) 499R-2. If not present SSPND 215 and use Form 13975 for <i>Letter 2894C</i> . <ul style="list-style-type: none"> For PY23 and later use paragraph D, For PY22 and prior use paragraph E 	Documentation must be present to support the amount, such as Puerto Rico Form(s) W-2PR or Form(s) 499R-2. If not present SSPND 215 and use Form 13975 for <i>Letter 2894C</i> . <ul style="list-style-type: none"> For PY23 and later use paragraph D, For PY22 and prior use paragraph E .
b) Supporting documentation is present,	Verify the amount in Field 47SSM by adding all supporting documentation.	Verify the amount in Field 47SSM by adding all supporting documentation.
c) The amount in Field 47SSM is different from supporting documentation,	<ol style="list-style-type: none"> Adjust the amount in Field 47SSM. Assign TPNC 395. 	<ol style="list-style-type: none"> Adjust the amount in Field 47SSM. Assign TPNC 383.
d) The taxpayer incorrectly figured ACTC, Note: For TY 2017 follow the instructions below in paragraph 14	Assign TPNC 395.	Assign TPNC 383.
e) The amount is different from the taxpayer amount, and the return is for TY 2014 and prior with 3 or more qualifying children,		

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- (14) **TY 2017 Only.** Social Security and Medicare tax withheld and one-half of SE tax are used in the calculation of ACTC. Follow these additional instructions to resolve EC 344.

Note: See paragraph (15) below for additional information on TY 2017 returns filed for Hurricane Irma or Maria tax relief.

If	And
a) The computer underprint for Field 03ACT is equal to \$1,000 x each qualifying child, and the taxpayer claimed more than this amount,	Assign TPNC 395 (Form 1040-SS (sp)) or TPNC 383 (Form 1040-SS).

If	And
b) One or both of these write-ins are present in Part II (page 2): <ol style="list-style-type: none"> 1. "PYET" and an amount on the dotted line next to line 2 2. "PYSET" and an amount on the dotted line next to line 3 Note: No documentation to support the 2016 write-in amounts is required.	<ol style="list-style-type: none"> 1. Use the write-in amount(s) to manually calculate ACTC. ("PYET" is used as the Part II, line 2 amount in the calculation, and "PYSEI" is used as the 1/2 SE tax amount.) 2. If the calculated amount equals the taxpayer entry in Field 03ACT, enter in Field 94ACV. 3. If the manual calculation is different from the taxpayer amount in Field 03ACT, then SSPND 440. Note: Lead - If suspended, send the MeF DLN or a copy of the paper return to HQ analyst.
c) "PYET" or "PYSET" isn't notated, but the taxpayer attached the worksheet for Part II, Line 3 (Line 3 de la Parte II) from the form instructions to the return,	Follow the instructions (1) - (3) above using the amount on line 11 of the attached worksheet for "PYSET" and line 12 for "PYET" in the manual calculation.
d) If "PYET" or "PYSET" is not present, or worksheet is not attached,	Follow the instructions in paragraph (14) above for other tax years.

- (15) **Hurricane Irma or Maria Disaster Tax Relief.** On TY 2017 Form 1040(PR)/SS, bona fide residents of Puerto Rico may elect to use their 2016 Social Security, Medicare, and additional Medicare taxes to calculate ACTC. The taxpayer decides whether using 2016 or 2017 amounts is more beneficial. If using TY 2016, a taxpayer will write "PYET" and the 2016 amounts withheld on the dotted line next to line 2, Part II. No documentation to support the 2016 write-in amount is required. (The taxpayer will also enter the amount from 2017 Form(s) W-2PR or Form(s) 499R-2 directly on line 2.) If using TY 2017 for the ACTC calculation, then the write-in on line 2 won't be present. If using TY 2016 SE Tax to figure ACTC, the taxpayer will write "PYSET" and an amount on the dotted line of line 3, Part II for 1/2 of their TY 2016 SE Tax. No support is required. The taxpayer may use PY amounts for both line 2 and 3 if applicable.

3.22.3.253.3
(03-20-2024)

**Correction Procedures -
EC 344 Form 1040 with
an address in Puerto
Rico OR Taxpayers with
Income from Puerto
Rico**

- (1) If it appears the taxpayer is a bona fide resident of Puerto Rico (PR) with all
- isn't a U.S. government civilian or military employee, see IRM 3.22.3.9.5.2 for correction procedures.
- (2) Taxpayers residing in Puerto Rico generally file a Form 1040-SS (sp), *U.S. Self-Employment Tax Return*, to claim Additional Child Tax Credit (ACTC). However, there are a few exceptions such as U.S. military stationed in PR, taxpayers who work seasonally in the U.S., and employees of the U.S. government. These Puerto Rico taxpayers may file a Form 1040 and claim ACTC:
- a. *U.S. military stationed in Puerto Rico.* A U.S. military taxpayer in PR may be identified by their occupation, by the employer on Form W-2, or by information on other attachments on the return.

Note: Examples of U.S. military employers on Form W-2 are U.S. Air Force, Army, Coast Guard, Marines, or Navy; DCPS CIVPAY DI-

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RECTORATE; DFAS - ATTN: Defense Finance and Accounting Service; USAF - Active Duty; DFAS - PMJFC/DE; Commanding Office USCG Human Resources Service Information Center.

- b. *Employee of the U.S. government and its agencies.* Wages paid by the U.S. government for working in Puerto Rico are subject to both PR and U.S. taxes. When filing with the U.S., a bona fide resident of PR may exclude PR source income on Form 1040, except for the U.S. government wages.

Example: The primary taxpayer is a U.S. government employee, and the spouse is employed by a PR employer. The spouse's wages are excluded on Form 1040.

- c. *Taxpayer who lived and worked in the U.S. during the tax year.* If the taxpayer moved to or from one of the 50 United States or District of Columbia, the taxpayer may not be a bona fide resident of PR for the entire tax year, and a U.S. income tax return is required. This may be indicated by state or local taxes paid to one of the 50 states or District of Columbia on Form W-2, Schedule C/ with a U.S. address, or a U.S. address for the employee on Form W-2.

Note: If the address on the Schedule C is blank, use the address in the entity section as the Schedule C address.

Unlike Form 1040(PR) for TY20 and prior, there isn't a minimum number of qualifying children for ACTC when filing a Form 1040 for TY 20 and prior. Three (3) qualifying children are required only if the taxpayer reports no earned income on line 6a of Schedule 8812.

- (3) The computer can't accurately compute ACTC for taxpayers from Puerto Rico when any of the conditions in paragraphs (4), (5), and (6) are present. Manual computation of ACTC is required. Use the instructions in the following paragraphs that apply to the return.

Note: Use all instructions in EC 287 at IRM 3.22.3.216.3 for determining qualifying children.

- (4) *Income Excluded under IRC 933 and the MAGI Limitation.* Bona fide residents of Puerto Rico who exclude PR source income on their U.S. income tax return under IRC 933 must add this income to AGI when determining the Modified Adjusted Gross Income (MAGI) limitation on Child Tax Credit and Credit for Other Dependents. The computer can't correctly calculate the MAGI limitation for these filers.

Note: For TY21 and prior the taxpayer figures MAGI using the child tax worksheets in Pub 972 which are displayed in the ERS Current Job Aid (2515-015). The Pub 972 calculation steps are included in the "Child Tax Credit and Credit for Other Dependents" worksheet on the IMF ERS/Rejects SERP Research Portal under "Job Aids - IMF Tax Worksheets."

- a. Manually compute MAGI by adding the excluded income to AGI.

Note: The amount of the excluded income is needed to determine the proper amount of credit allowed. Taxpayers who exclude income from Puerto Rico are instructed to include the Form(s) 499R-2/W-2PR and indicate the excluded amount on the Form 1040. SSPND 215 and correspond with the following literal if you cannot

determine the excluded amount from the return or attachments: "Information on your return indicates you are excluding income from Puerto Rico. So that we may process your Child Tax Credit claim properly, provide the amount of income excluded. Also include a copy of any Form(s) 499R-2/W-2PR."

- b. If the calculated MAGI amount is greater than the MAGI limitation (see note), then manually compute ACTC using the "Child Tax Credit and Credit for Other Dependents" worksheet on the IMF ERS/Rejects SERP Research Portal under "Job Aids - IMF Tax Worksheets". See *Tax Worksheets*.

Note: The TY 2018 and later MAGI limits by filing status are: Married filing jointly - \$400,000; All others - \$200,000 (TY 2017 and prior: \$110,000 if FSC 2; \$75,000 if FSC 1, 4, 5; \$55,000 if FSC 3, 6)

- (5) *TY 2017 with PYEI.* Under Hurricane Irma or Maria disaster tax relief, some residents of Puerto Rico may elect to use their TY 2016 earned income to calculate ACTC on TY 2017 Form 1040. If using 2016 earned income, the taxpayer writes "PYEI" and the PY earned income amount on Form 1040/A.
 - a. If the PR filer writes "PYEI" with an amount (or zero) on Form 1040, then use this amount to manually compute ACTC for all qualifying children using the "Child Tax Credit" worksheet under Job Aids on the ERS SERP Portal. When using this worksheet, enter PYEI on line 1a) of the Earned Income (EI) Worksheet and don't enter TY 2017 earned income.
 - b. Use the taxpayer's amounts from Part III of Schedule 8812 in the manual computation.

Caution: When "PYEI" is zero, then the filer had no earned income to report to the U.S. in TY 2016 and is using Part III of Schedule 8812 to qualify for ACTC with 3 or more qualifying children. Residents of PR may use their TY 2016 Social Security (SST), Medicare, additional SST, and Medicare taxes when completing Part III of Schedule 8812.

- (6) *Earned Income Excluded under IRC 933.* Only taxable earned income (and nontaxable combat pay) is considered "earned income" on line 18a of Schedule 8812 for figuring ACTC. Excluded earned income can't be used.
 - a. If a taxpayer is reporting wages or other earned income on Form 1040 and then excludes the income from U.S. taxation under IRC 933, then compute the earned income and compare to Field 47EI>.
 - b. If different, manually compute ACTC with only the taxable (non-excluded) earned income on line 6a of Schedule 8812.
- (7) After manually computing ACTC, enter this amount in Field 94ACV. If EC 344 generates, assign appropriate TPNCs as directed in EC 344 of IRM 3.12.3. If the taxpayer incorrectly limited with MAGI, or incorrectly figured earned income on line 18a of Schedule 8812, then assign TPNC 628.
- (8) If income on the return isn't carried forward in the calculation of taxable income, and the taxpayer doesn't indicate "IRC 933" or similar explanation, then assign appropriate math error notices as required.

3.22.3.253.4
(03-20-2024)

- (1) Taxpayers residing in U.S. territories are generally not entitled to Additional Child Tax Credit (ACTC). Follow the instructions in the If/Then chart below:

**Correction Procedures -
EC 344 All Other U.S.
Territory except Puerto
Rico - Additional Child
Tax Credit**

If	And	Then
The taxpayer is from American Samoa (AS),	And excluding income with Form 4563, <i>Exclusion of Income for Bona Fide Residents of American Samoa</i> , under IRC 931,	Follow the instructions for filers from Puerto Rico at IRM 3.22.3.253.3. This income exclusion is treated the same as Puerto Rico exclusions under IRC 933. Exception: AS filers don't qualify for "PYEI" hurricane tax relief.
The taxpayer claiming ACTC is in the "U.S. military" stationed overseas or in one of the U.S. territories, a. Search signature area, Form W-2, and attachments for any of the following indications: <ul style="list-style-type: none"> • United States Air Force • United States Army • United States Coast Guard • United States Marines • United States Navy • DCPS CIVPAY DIRECTORATE • DFAS - ATTN: Defense Finance and Accounting Service • USAF - Active Duty • DFAS - PMJFC/DE • Commanding Office USCG Human Resources Service Information Center 	Meets all the qualifying criteria to claim ACTC,	<ol style="list-style-type: none"> 1. Refer to IRM 3.12.3, <i>Error Resolution, Individual Income Tax Returns, EC 340</i>, for complete instructions to validate ACTC. 2. Allow the ACTC when the taxpayer qualifies.
The taxpayer is claiming Additional Child Tax Credit,	There is no indication the taxpayer is a US military employee,	<ol style="list-style-type: none"> 1. Delete the amount in Field 03ACT, Form 1040. 2. Assign TPNC 461.

3.22.3.253.5
(03-20-2024)

**Correction Procedures -
EC 344 Form 1040 -
Excluding Income and
Claiming Additional
Child Tax Credit**

- (1) The instructions in this section are for returns that do NOT have an address in a U.S. territory.
- (2) **Foreign earned income exclusion.** Taxpayers who exclude foreign earned income with Form 2555 aren't eligible for Additional Child Tax Credit (ACTC). If the taxpayer is excluding foreign earned income, the computer underprint for Field 03ACT will be \$0. Assign TPNC 306.

Exception: Taxpayers excluding foreign earned income in TY 2014 and prior years are eligible for ACTC. Don't assign TPNC 306 in TY 2014 or prior.

- a. In TY 201412 and prior, taxpayers excluding foreign earned income may claim ACTC, but the computer underprint for Field 03ACT will be \$0. Use Publication 972 Child Tax Credit Worksheet in Job Aid 2515-015 or Prior Year (PY) Job Aid 2515-014 to manually compute CTC and ACTC and enter the computed amount from the worksheet into Field 94CDV Form 1040 and Field 94ACV. If the taxpayer figured the credits incorrectly assign TPNC 252.

Note: When foreign earned income is excluded, the modified adjusted gross income limitation on Child Tax Credit is determined by adding Form 2555, lines 45 and 50, to line 7 of Form 1040.

- (3) **All other income exclusions.** There are instances where the computer cannot accurately compute ACTC for taxpayers. Follow these instructions if the taxpayer is excluding income on Form 1040 with:
 - a. Tax Treaty Exemption - Only taxable earned income (and nontaxable combat pay) is considered "earned income" on line 6a of Schedule 8812 for figuring ACTC. If a taxpayer is reporting wages or other earned income on Form 1040, and then exempting the income from taxation with a valid tax treaty claim, manually compute ACTC using only non-exempt taxable earned income on line 6a and enter the correct amount of ACTC in Field 94ACV. If EC 344 generates assign TPNC 628.
 - b. IRC 933 (Puerto Rico) or IRC 931 (Form 4563) Income Exclusions - Refer to the instructions in IRM 3.22.3.253.3.
- (4) Don't correspond for self-employment tax on wage income.

3.22.3.253.6
(01-01-2026)

**Correction Procedures -
EC 344 Form 1040-NR
Claiming Additional
Child Tax Credit**

- (1) Beginning with TY 2018, taxpayers may claim the Child Tax Credit (CTC), the Additional Child Tax Credit (ACTC), and the Credit for Other Dependents (ODC) for qualified dependents on Form 1040-NR. CTC and ACTC is allowed only for dependents who are under 17 years of age and have a Social Security number (SSN). If a dependent claimed for CTC has a valid ITIN, or is over 16 years of age, the computer amount for the combined Child Tax and Other Dependents Credit is calculated by disallowing CTC but allowing ODC for that dependent.
- (2) The TY 2022 maximum ACTC credit amount for a qualifying child is \$1,500. The TY 2018 and later maximum ACTC credit amount for a qualifying child is \$1,400. The maximum credit amount for TY 2017 and prior is \$1,000.
- (3) Follow the procedures in IRM 3.12.3, *EC 344*, for modified AGI limitations, earned income, and Social Security and Medicare taxes errors. Assign TPNCs as directed in the instructions for these types of errors. Don't correspond for self-employment tax on wage income.

Note: If a taxpayer is reporting wages or other earned income on Form 1040-NR, and then exempting the income from taxation with a valid tax treaty, manually compute ACTC using only non-exempt taxable earned income on line 6a and enter the correct amount of ACTC in Field 94ACV. If EC 344 generates assign TPNC 383

- (4) Form 1040-NR may be filed only by an individual taxpayer who is the primary in Field 01PS. On a PY return, the Taxpayer Identification Number (TIN) for a spouse claimed as an exemption on Form 1040-NR doesn't affect the calculation of Additional Child Tax Credit (ACTC).
- (5) Follow the procedures in EC 287 at IRM 3.22.3.216.2 to determine the number of qualified dependents for CTC and ODC and to identify the errors related to TIN validation of the primary and dependents. For prior year returns use IMFOLT to check for a TC 460 on the tax year. If the TC 460 is present the TIN assignment date must be prior to the TC 460 date to be valid for the tax year. Assign TPNCs as follows when ACTC is claimed on Form 1040-NR.

If	Then
a) Child disallowed because the taxpayer isn't allowed dependents based on country of residence (see EC 287 at IRM 3.22.3.216.2),	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 412 2. TY 2017 and prior, assign TPNC 423
b) Primary TIN is invalid or missing, Note: Enter RPC O	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 421 2. TY 2017 and prior, assign TPNC 452
c) Primary ITIN Status Code Indicator is "I",	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 323 2. TY 2017 and prior, assign TPNC 318
d) <ul style="list-style-type: none"> • TY 2022 Primary TIN assignment date is after the date in Field T-DAT>, but on or before April 18, 2023 • TY 2020 Primary TIN assignment date is after the date in Field T-DAT>, but on or before May 17, 2021 • TY 2019 Primary TIN assignment date is after the date in Field T-DAT>, but on or before July 15, 2020 Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.	Determine the total number of eligible dependents for CTC claimed and enter in Field 94CEV and total number of eligible dependents for ODC claimed and enter in Field 94DEV. Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.
e) <ul style="list-style-type: none"> • TY 2022, Primary TIN assignment date is after April 18, 2023 • TY 2020, Primary TIN assignment date is after May 17, 2021, • TY 2019, Primary TIN assignment date is after July 15, 2020 • TY 2018 and prior, Primary TIN assignment date is after the return due date, Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.	<ol style="list-style-type: none"> 1. TY 2018, assign TPNC 497 2. TY 2017 and prior, assign TPNC 495 Caution: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.
f) TIN for a child claimed for CTC is missing or invalid,	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 422 2. TY 2017 and prior, assign TPNC 605
g) TY 2018 and later- Child has a valid ITIN, and the underprint for Field 03COD is blank,	Assign TPNC 425 Note: If TPNC 250 was assigned at EC 290 for this TIN, then ripple at EC 340 and don't send TPNC 425.

If	Then
h) ACTC is claimed for a dependent with Dependent ITIN Status Code "I",	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 425 2. TY 2017 and prior, assign TPNC 317
i) <ul style="list-style-type: none"> • TY 2022 Dependent TIN assignment date is on or before April 17, 2023 • TY 2020 Dependent TIN assignment date is after the date in Field T-DAT>, but on or before May 17, 2021 • TY 2019 Dependent TIN assignment date is after the date in Field T-DAT>, on or before July 15, 2020, • TY 2018 and prior Dependent TIN Assignment date is after the return due date Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.	Determine the total number of eligible dependents for CTC claimed and enter in Field 94CEV and total number of eligible dependents for ODC claimed and enter in Field 94DEV. Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.
j) <ul style="list-style-type: none"> • TY 2022, Dependent TIN assignment date is after April 18, 2023 • TY 2020, Dependent TIN assignment date is after May 17, 2021, • TY 2019, Dependent TIN assignment date is on or before July 15, 2020 • TY 2018 and prior, Primary TIN assignment date is after the return due date, Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.	<ol style="list-style-type: none"> 1. TY 2018 and later, assign TPNC 497 2. TY 2017 and prior, assign TPNC 495 Note: If TC 460 is present on the account the TIN is valid if assignment date is prior to TC 460 date.
k) For TY 2017 and prior for each dependent claimed for CTC/ACTC with an ITIN, must have the substantial presence test check box checked as "yes" on Schedule 8812 to qualify them dependent for the credit. If you determined that a dependent failed the substantial presence test and is ineligible for the Child Tax Credit and/or Additional Child Tax Credit	<ol style="list-style-type: none"> 1. TY 2017 and prior, disallow the dependent with Field 94CEV 2. Assign TPNC 465
l) Child is over 16 years of age,	Assign TPNC 251
m) The taxpayer made a math error in calculating ACTC,	Assign TPNC 383

3.22.3.253.7
(01-01-2024)

**Allowable Taxpayer
Notice Codes - EC 344**

(1) The following TPNCs are used for EC 344.

TPNC	Literal
	Any previously assigned TPNC.
100	

TPNC	Literal
101	We refigured your tax using the single filing status (Form 1040)
102	We refigured your tax using the married filing jointly filing status (Form 1040)
103	We refigured your tax using the married filing separately filing status (Form 1040)
104	We refigured your tax using the head of household filing status (Form 1040)
105	We refigured your tax using the qualified surviving spouse filing status based on the information you reported (Form 1040)
108	Your return was filed using the head of household filing status. The name of the dependent that qualifies you for the head of household filing status was not present (Form 1040)
176	The amount on the bottom of page 1 and the top of page 2 must be the same (Form 1040)
177	We changed the amount claimed as medical and dental expenses on your Schedule A (Form 1040)
178	We changed the amount claimed as taxes you paid on your Schedule A (Form 1040)
179	We changed the amount claimed as total interest paid on your Schedule A, itemized deductions (Form 1040)
180	We changed the amount claimed as total gifts to charity on your Schedule A, itemized deductions (Form 1040)
182	We changed the amount claimed as casualty and theft losses on your Schedule A (Form 1040)
183	We changed the amount claimed as total miscellaneous deductions on your Schedule A (Form 1040)
184	We changed your gambling losses claimed on your Schedule A, Itemized Deductions, to equal your gambling winnings. You must report the full amount of your winnings as income on Form 1040 and claim your losses up to the amount of winnings as an itemized deduction on Schedule A, Itemized Deductions. (Form 1040)
185	We changed your Schedule A, itemized deductions. Some or all of your other miscellaneous deductions claimed on your Schedule A were subject to the 2 percent limitation. (Form 1040)
186	We limited your total itemized deductions on your Schedule A, Itemized Deductions, because certain deductions on Schedule A are limited if your adjusted gross income is more than the maximum amount. (Form 1040)

TPNC	Literal
187	Computed or transferred Itemized Deductions incorrectly.
188	We changed the amount claimed as standard deduction on your tax return. We used the total deductions reported on Schedule A, Itemized Deductions, attached to your tax return rather than the standard deduction. When your filing status is Married Filing Separately and your spouse itemizes deductions on Schedule A, you must also itemize. (Form 1040)
189	We changed the amount claimed as standard deduction on your tax return. We used the total deductions reported on Schedule A, Itemized Deductions, attached to your tax return rather than the standard deduction. This resulted in a lower taxable income. (Form 1040)
190	We recomputed your taxable income using the Standard Deduction. Your remaining Total Itemized Deduction was less than the Standard Deduction. (Form 1040)
192	We changed the amount claimed as standard deduction on your tax return. You are entitled to a higher standard deduction if you and/or your spouse are age 65 or older and/or blind. (Form 1040)
193	<p>We didn't allow the amount claimed as standard deduction on your tax return. When your filing status is Married Filing Separately and your spouse itemizes deductions on Schedule A, Itemized Deductions, you must also itemize. Information on your tax return indicates that your spouse itemized deductions; therefore, we used zero as your deduction amount.</p> <p>Note: If you have itemized deductions you may file Form 1040-X, Amended U.S. Individual Income Tax Return, and include them on Schedule A, Itemized Deductions, to reduce your tax . (Form 1040)</p>
194	<p>We changed the amount claimed as standard deduction on your tax return:</p> <ul style="list-style-type: none"> no amount was entered for the standard deduction, or the amount entered for standard deduction was incorrect for the filing status claimed on your return. (Form 1040).
196	We changed the amount claimed as a deduction on your tax return. You may use either the standard deduction or itemized deductions; however, you cannot use both . We used the amount that resulted in a lower taxable income.

TPNC	Literal
199	We changed the amount claimed on your tax return because there was an error in the subtraction of your standard deduction or itemized deductions from your adjusted gross income (Form 1040)
200	We changed your total exemption amount based on the information you listed on Lines 6a - 6c. (Form 1040)
201	You didn't limit your exemptions correctly. You are required to apply the limit because of your AGI and filing status.
202	We didn't allow your personal exemption on your tax return. Information on your tax return indicates that you are being claimed as a dependent on another person's tax return. (Form 1040)
203	We increased the number of exemptions on your tax return and lowered your tax. You indicated that you and/or your spouse were claimed on another person's tax return (Form 1040)
204	We didn't allow the exemption for your spouse on your tax return. You can't use single or head of household filing status and claim your spouse as an exemption (Form 1040)
205	We didn't allow your personal exemption <ul style="list-style-type: none"> • SSN or ITIN was missing or • Last name doesn't match
206	We didn't allow your spouse's personal exemption because your spouse's: <ul style="list-style-type: none"> • Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or • Last name doesn't match our records or the records provided by the Social Security Administration. Each exemption listed on your tax return must have a valid SSN or ITIN. (Form 1040)
208	We changed the amount of taxable income because there was an error in the subtraction of your exemption or combined standard deduction/exemption amount.
209	We changed the amount of tax shown on your return. The amount entered was incorrect based on your taxable income and filing status.
211	We changed the amount of tax shown on your return. The tax rates on Qualified Dividends and Capital Gains are generally lower than the standard rates.
218	We computed your tax for you.
231	We didn't allow part or all of the amount claimed as foreign tax credit on your tax return. Foreign tax credit is limited to the total amount of your tentative minimum tax liability.

TPNC	Literal
233	We didn't allow the amount claimed as credit for child and dependent care expenses on your tax return. (Form 1040)
234	We didn't allow the amount claimed as credit for child and dependent care expenses on your tax return. The Social Security number, Employer Identification Number, or Individual Taxpayer Identification Number for your childcare provider was not included as required on line 1 of Form 2441/Schedule 2, Child and Dependent Care Expenses. (Form 1040)
235	We didn't allow the amount claimed as credit for child and dependent care expenses on your tax return. The name and Social Security number or Individual Taxpayer Identification Number for the child or dependent who qualifies you for the credit was not provided on line 2 of Form 2441/Schedule 2, Child and Dependent Care Expenses. (Form 1040)
236	Disallowed credit for prior-year expenses on Form 2441. Missing dependent name, SSN, or statement showing how you figured the credit. (Form 1040)
237	Computed or transferred the Part III amount on Form 2441 incorrectly. (Form 1040)
238	Disallowed credit for child and dependent care because primary taxpayer, spouse, or dependent claimed as care provider. (Form 1040)
240	We changed the amount claimed as credit for the elderly or the disabled on your tax return (Form 1040)
243	We changed the amount claimed as education credits on your tax return (Form 1040)
246	Disallowed all or part of your Retirement Savings Contribution Credit. The credit is not allowed if you are not at least 18 years of age.
247	Computed or transferred Form 8880 incorrectly.
249	We changed the amount claimed as child tax credit and credit for other dependents on your tax return because you either didn't enter an amount or entered an incorrect amount based on the number of boxes you checked on page 1 of your tax return.
250	We didn't allow all or part of the nonrefundable Child Tax Credit claimed on your return. One or more of the dependents listed on your return exceeds the age limit to be a qualifying child, or the child's Social Security number (SSN) was missing. If you claimed the refundable Child Tax Credit or additional Child Tax Credit, it may also be affected.

TPNC	Literal
251	Disallowed part or all of your child tax credit and/or additional child tax credit. One or more of your children exceeds the age limitation.
252	You incorrectly figured your child tax credit.
254	Computed or transferred Form 8839 incorrectly. (Form 1040)
260	We changed the amount claimed as other credits there was an error on Form 3800, General Business Credits. The error was in the: <ul style="list-style-type: none"> • Computation of the 3800 credit. • Computation of the credit on Form 8826. • Computation of the credit on Form 8881. • Transfer of that amount to your tax return.
265	We changed the amount on your tax return because there was an error in the subtraction of your credits from your tax.
552	We didn't allow the amount claimed as casualty or theft losses on Schedule A (Form 1040)
553	We didn't allow the amount claimed as unreimbursed employee expenses on Schedule A (Form 1040)
554	We refigured your taxable income on your tax return using the standard deduction (Form 1040)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
563	We didn't allow the amount claimed as credit for child and dependent care expenses on your tax return. Form 2441, Child and Dependent Care Expenses, was incomplete or not attached to your tax return (Form 1040)
565	We didn't allow the amount claimed as credit for the elderly or disabled (Form 1040)
568	We didn't allow the amount claimed as education credits on your tax return (Form 1040)
569	We didn't allow the amount claimed as retirement savings contribution credit (Form 1040)

TPNC	Literal
598	We changed the amount of exemption claimed on your return for your child that didn't live with you. Form 8332, Release/Revocation of Release of Claim to Exemption for Child by Custodial Parent, or Form 2120, Multiple Support Declaration or a copy of a divorce decree showing your right to claim an exemption was incomplete or not attached to your tax return. This change may affect your taxable income, tax, or any of the following credits: Education Credit, Child Tax Credit or Additional Child Tax Credit. (Form 1040)
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
606	Disallowed the exemption claimed for any dependent born after December 31 of the tax year of the return you filed.
607	We didn't allow the exemption for the primary taxpayer claimed on your tax return. According to the records, the Social Security number belongs to a deceased person.
608	We didn't allow the exemption for the spouse claimed on your tax return. According to the records, the Social Security number belongs to a deceased person.
609	We didn't allow the exemption for a dependent claimed on your tax return. According to the records, the Social Security number belongs to a deceased person.
628	We changed the amount claimed as Child Tax Credit and/or Additional Child Tax Credit on your tax return because there was an error on Schedule 8812, Child Tax Credit. The error was in the: <ul style="list-style-type: none"> • computation of the credit on Schedule 8812 • transfer of the amount to your tax return and/or • Schedule 8812 was missing or incomplete (Form 1040)
642	We didn't allow your personal exemption on your tax return because your individual taxpayer identification number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid taxpayer identification number (TIN).
643	We didn't allow your spouse's personal exemption on your tax return because your spouse's individual taxpayer identification number (ITIN) has expired. Each exemption on your tax return must have a valid ITIN or other valid taxpayer identification number (TIN).

TPNC	Literal
646	We didn't allow part or all of the amount claimed as credit for child and dependent care expenses on your tax return because one or more of the qualifying persons listed on Form 2441, Child and Dependent Care expenses, has an expired individual taxpayer identification number (ITIN).
706	We compared the Social Security numbers (SSN) shown on your tax return with records from the Social Security Administration. According to these records, the SSN shown on your tax return for you, your spouse, or one or more of the dependents belongs to a deceased person.
707	One or more of the dependents listed on your tax return who have a missing Social Security number are identified as being born and died during the tax period of the return. To claim a dependent as being born and died there must be proof of a live birth shown on an official document such as a birth certificate attached to the return. As a result, we disallowed certain credits claimed on your return.
708	One or more of the dependents listed on your tax return was born after December 31st of the tax year for the return you filed. As a result, we disallowed certain credits claimed on your return.

TPNC	Literal
306	We didn't allow the amount you claimed for Additional Child Tax Credit on your Form 1040. You're not eligible to claim the credit because you excluded foreign earned income with Form 2555 or Form 2555-EZ. (TY 2015 and Later Only)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
317	Each exemption on your tax return must have an active individual taxpayer identification number (ITIN) or other valid taxpayer identification number (TIN). One or more of your dependents has an inactive ITIN. As a result, we didn't allow those exemptions on your tax return. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit (Form 1040-NR)

TPNC	Literal
318	<p>Your Individual Taxpayer Identification Number (ITIN) has expired. As a result, we disallowed certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits:</p> <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit <p>(Form 1040-NR)</p>
319	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we disallowed the amount you claimed as additional child tax credit on your return. (Form 1040-SS (sp))</p>
320	<p>The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we disallowed the amount you claimed as additional child tax credit on your tax return. (Form 1040-SS)</p>
322	<p>The individual taxpayer identification number (ITIN) for one or more of your dependents has expired. As a result, we disallowed certain credits claimed on your return. This change may affect credit for child and dependent care expenses and credit for other dependents. (Form 1040-NR)</p>
323	<p>Your individual taxpayer identification number (ITIN) has expired. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)</p>
332	<p>We didn't allow the amount claimed as additional child tax credit because supporting documents were not attached to your tax return. (1040-SS)</p>
339	<p>We didn't allow part or all of your additional child tax credit on your Form 1040-SS. One or more of your children exceeds the age limitation. (1040-SS)</p>
345	<p>We didn't allow the amount claimed as excess Social Security tax or tier 1 RRTA withheld because Form(s) W-2AS, W-2CM, W-2GU, W-2VI, or Form 499R-2/W-2PR was not attached to your tax return. (1040-SS)</p>
361	<p>We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld.</p> <ul style="list-style-type: none"> • Corregimos la cantidad reclamada de la retención en exceso de la contribución del seguro social o lo dispuesto en la retención del RRTA 1, en la página 1 de su planilla de contribución debido a un error del cómputo. (1040-SS (sp))

TPNC	Literal
362	We didn't allow the amount claimed as additional child tax credit Form(s) 499R-2, W-2PR or other supporting documents were not attached to your tax return. No le concedimos la cantidad reclamada como crédito contributivo adicional por hijo porque la/las Forma(s) 499R-2, W-2PR u otros comprobantes no fueron incluidos en su planilla de contribución. (1040-SS (sp))
369	We didn't allow part or all of your additional child tax credit. One or more of your children exceeds the age limitation. <ul style="list-style-type: none"> No le concedimos parte o todos sus créditos contributivos adicionales por hijo en la Línea 8 de su Forma 1040-SS (sp). Uno o más de sus hijos excede la limitación de edad. (1040-SS (sp))
374	We changed the refund or amount you owe based on the information you provided in response to our previous correspondence. <ul style="list-style-type: none"> Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.
383	You incorrectly figured your Additional Child Tax Credit. We have adjusted your return accordingly. (Form 1040-NR and Form 1040-SS)
395	We changed the amount claimed as additional child tax credit on your Tax return because there was an error. The error was in the: Computation of the credit on page 2 of your tax return and/or Transfer of that amount to page 1 of your tax return. <ul style="list-style-type: none"> Le ajustamos la cantidad reclamada del crédito contributivo por hijo adicional en su planilla de contribución porque hubo un error. El error era en: El cómputo del crédito en la página 2 de su planilla contributiva, y/o La transferencia de esa cantidad a la página 1 de su planilla contributiva. (Form 1040-SS (sp))
405	We changed the amount claimed for Charitable Contribution Deduction as an Adjustments to Income on your tax return. This deduction is only allowed to certain residents of India. (Form 1040-NR)
412	Your country of residence does not allow you to take exemptions for dependents. As a result, we disallowed certain credits claimed on your return.(Form 1040-NR)
418	You aren't entitled to the standard deduction when you file Form 1040-NR. We changed your return accordingly.

TPNC	Literal
421	Your Social Security number (SSN) or individual taxpayer identification number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return.(Form 1040-NR)
422	Each dependent listed on your tax return must have a valid Social Security number (SSN) or individual taxpayer identification number (ITIN). For one or more of your dependents, the SSN or ITIN was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)
423	Because your country of residence does not allow you to take exemptions for dependents, we have disallowed your child tax credit. (Form 1040-NR)
425	We didn't allow all or part of the amount claimed for child tax credit or additional child tax credit. Each dependent claimed for this credit must have a valid Social Security number issued by the Social Security Administration before the due date of the tax return. (Form 1040-NR)
449	We changed the amount of taxable income on your tax return because the exemption amount was subtracted incorrectly. (Form 1040-NR)
452	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Child tax credit • Additional child tax credit (Form 1040-NR)
453	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed the amount you claimed as additional child tax credit on your return. (Form 1040-SS (sp))
454	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed the amount you claimed as additional child tax credit on your return. (Form 1040-SS)

TPNC	Literal
457	We changed your total exemption amount. There was an error in the computation of your total exemption amount. (Form 1040-NR)
460	We didn't allow all or part of the amount you claimed as additional child tax credit on your Form 1040-SS because the required Social Security number (SSN) is missing for one or more of the dependents you listed on the return. Nosotros no aprobamos toda o parte de la cantidad que usted reclamó como crédito contributivo adicional por hijos en su Formulario 1040-SS (sp), porque en su planilla falta el número de seguro social (SSN, por sus siglas en inglés) requerido para uno o más de sus dependientes reclamados.
461	We did not allow the amount of Additional Child Tax Credit claimed on your tax return. Information on your return indicates that you do not qualify for this credit.
464	<ul style="list-style-type: none"> We didn't allow some or all of the amount you claimed as additional child tax credit on line 9 of your Form 1040-SS because the individual taxpayer identification number (ITIN) for one or more the qualifying persons has expired. (Form 1040-SS) No permitimos parte o toda la cantidad que usted reclamó como crédito tributario adicional por hijos, en la línea 9 de su Formulario 1040-SS (sp), porque el número de identificación del contribuyente individual (ITIN) de una o más personas calificadas ha vencido. (Form 1040-SS (sp))
465	We did not allow part or all of the amount claimed as Child Tax Credit and/or Additional Child Tax Credit on page 2 of your tax return because your dependent(s) with an Individual Taxpayer Identification Number (ITIN) did not meet the substantial presence test in Part I of your Schedule 8812, Child Tax Credit. (Form 1040-NR)
474	You figured your refund or the amount you owe incorrectly on Form 1040-SS.
475	Your Additional Child Tax Credit was reduced or not allowed because your dependent child's TIN was missing.
476	Your Additional Child Tax Credit was reduced or not allowed because your dependent child's name and/or TIN were invalid.
477	We didn't allow the additional child tax credit you claimed because you must have three or more qualifying children to claim the credit. (Form 1040-SS)

TPNC	Literal
490	<p>Your Additional Child Tax Credit was reduced or not allowed because your child's TIN was missing.</p> <ul style="list-style-type: none"> • Credito de Impuesto por Hijo(a) Adicional fue reducido o no fue permitido porque faltaba el TIN de su hijo(a) dependiente. (Form 1040-SS (sp))
491	<p>Your Additional Child Tax Credit was reduced or not allowed because your dependent child's name and/or TIN were invalid.</p> <ul style="list-style-type: none"> • Su Credito de Impuesto por Hijo(a) Adicional fue reducido o no fue permitido porque el TIN de su hijo(a) dependiente era invalido. (Form 1040-SS (sp))
492	<p>We can't allow the additional child tax credit you claimed. You must have three or more qualifying children to claim the credit.</p> <ul style="list-style-type: none"> • No podemos permitirle el credito del impuesto por hijo(a) adicional que usted reclamo. Usted debe tener tres o mas hijos calificativos para poder reclamar el credito. Por lo tanto, le hemos ajustado su planilla de contribucion. (Form 1040-SS (sp))
493	<p>We reduced or disallowed your additional child tax credit because one or more of the children listed was born after the current tax period.</p> <ul style="list-style-type: none"> • Nosotros redujimos o le desaprobamos su credito adicional de impuesto por hijo, porque uno o mas de sus hijos que usted menciona nacio o nacieron despues del period contributivo actual. Por eso, el o ella no son elegibles para este credito. Por lo tanto, le hemos ajustado su planilla de contribucion. (Form 1040-SS (sp))
495	<ul style="list-style-type: none"> • We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return. (Form 1040-NR) • We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you, your spouse, or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return. (Form 1040-SS)

TPNC	Literal
496	<p>We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you, your spouse, or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return.</p> <ul style="list-style-type: none"> No permitimos la cantidad que reclamó como crédito tributario adicional por hijos en la línea 9 de su Formulario 1040-SS (sp). Usted, su cónyuge o uno o más de sus dependientes reclamados para el crédito, no tenía un número de identificación del contribuyente asignado para la fecha de vencimiento de la planilla de contribución. (Form 1040-SS (sp))
497	<p>You, or one or more of the dependents listed on your return, didn't have an assigned taxpayer identification number by the due date of the tax return. As a result, we disallowed certain credits claimed on your return. (Form 1040-NR)</p>

Note: Whenever there is not a specific TPNC to address the invalid condition for this Error Code on Form 1040-SS (sp), assign TPNC 395.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs and see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.254
(11-08-2021)
**Error Code 347 -
Refundable American
Opportunity Credit**

- (1) For International Form 1040, refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 347* for invalid conditions, correction procedures and allowable TPNCs
- (2) The taxpayer must use Modified Adjusted Gross Income (MAGI) to figure the credit when excluding:
 - a. Foreign earned income from Form 2555
 - b. IRC 933 Puerto Rico income
 - c. IRC 931 American Samoa Income

3.22.3.255
(01-09-2024)
**Error Code 349 -
Reserved**

- (1) Reserved.

3.22.3.256
(01-01-2026)
**Error Code - 351
Refundable Adoption
Credit**

- (1) EC generates when Refundable Adoption Credit Amount is not equal to Refundable Adoption Credit Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 351* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.257
(11-08-2021)
Error Code 352 - Form 8962 is missing and Refundable Credit Claimed

- (1) EC 352 generates when Tax Period is 201412 or later, an amount is present for Reconciled Net Premium Tax Credit and Section 73/74 is not present.
- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for screen display and correction procedures.

3.22.3.257.1
(11-08-2021)
Allowable Taxpayer Notice Codes - EC 352

- (1) The following TPNCs are used for EC 352.

TPNC	Literal
	Any previously assigned TPNC
100	
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States. (Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
794	We didn't allow the amount you claimed as net premium tax credit on your tax return because Form 8962, Premium Tax Credit, was incomplete or not attached to your tax return.

3.22.3.258
(11-08-2021)
Error Code 353 - Form 8962 Premium Tax Credit Claimed, Not Eligible

- (1) EC 353 generates when Tax Period is 201412 or later and the taxpayer claims Reconciled Net Premium Tax Credit but is ineligible when:
 - a. FSC 3 or 6 and Married Filing Separate PTC Exception Checkbox Indicator, Field 73MFS, is not marked, or
 - b. Computed Household Income (HHI) percentage, Field 7305>, is over 400 percent, when the Tax Period is 201412 through 202012,

Note: For tax years after 2020, a taxpayer may be eligible to claim the Premium Tax Credit when the computed Household Income (HHI) percentage, Field 7305> exceeds 400 percent.

or

 - c. No exemptions are claimed on the return in Field 01EXC/94EXV.

- (2) See IRM 3.12.3, *Error Resolution, Individual Income Tax Returns*, for screen display and correction procedures.

3.22.3.258.1
(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 353**

- (1) The following TPNCs are used for EC 353.

TPNC	Literal
	Any previously assigned TPNC.
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	We did not allow your personal exemption for your spouse. The SSN and/or name of your spouse is missing or does not match the records provided by the Social Security Administration. (Form 1040)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States. (Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
790	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your filing status is married filing separately.
791	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your household income is greater than 400 percent of the federal poverty line

TPNC	Literal
792	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because you didn't claim any dependents on your return.
795	We changed the amounts on your Form 8962, Part II, to match the Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.259
(11-08-2021)
**Error Code 354 -
Premium Tax Credit**

- (1) EC 354 generates when the Tax Period is 201412 or later and the taxpayer amount for Reconciled Premium Tax Credit Amount differs from the Computed Net Premium Tax Credit.
- (2) See IRM 3.12.3, *Error Resolution, Individual Tax Returns, EC 354*, for screen display and correction procedures.

3.22.3.259.1
(01-01-2025)
**Allowable Taxpayer
Notice Codes - EC 354**

- (1) The following TPNCs are used for EC 354.

TPNC	Literal
	Any previously assigned TPNC.
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption.
206	We did not allow your personal exemption for your spouse. The SSN and/or name of your spouse is missing or does not match the records provided by the Social Security Administration. (Form 1040)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
401	We didn't allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself.
402	We didn't allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States. (Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
605	For one or more of your dependents the SSN or ITIN was missing or the last name doesn't match our records or the records provided by the Social Security Administration.

TPNC	Literal
762	We changed your tax family size on line 1 of Form 8962, Premium Tax Credit. We made the change because you, your spouse, or one or more of the dependents listed on your tax return has an issue with their taxpayer identification number.
788	We changed the net Premium Tax Credit on your return because you made one of the following errors on Form 8962, Premium Tax Credit: <ul style="list-style-type: none"> • computation of Part 2 - Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit • transfer of that amount to your tax return.
795	We changed the amounts on your Form 8962, Part II, to match the Form 1095-A record we received from the Health Insurance Marketplace. We have adjusted your return accordingly.

3.22.3.260
(01-01-2024)
Error Code 356 - Fuel Tax Credit

- (1) EC 356 generates when Fuel Tax Credit differs from Fuel Tax Credit Computer, a math error is present and Balance Due/Overpayment differs from Balance Due/Overpayment Computer amount.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 356* for screen displays, invalid conditions and for correction procedures and allowable TPNCs.

3.22.3.261
(06-25-2024)
Error Code 358 - Form 2439 and Form 8885 Credits, and Write-in Credits (and Prior Year Form 8839 and Form 8801)

- (1) If the taxpayer indicates that the credit amount on the dotted line next to Line 33 of Form 1040, or line 13 of Schedule 3, is for **Form 8689** then follow the instructions in EC 364 IRM 3.22.3.263.2.2.
- (2) For other write-in credits on line 12, Schedule 3 of Form 1040, or Form 1040-NR, refer to the instructions in IRM 3.12.3, *Line 12d, Write-in Credit (EC 358)*. For TY17, If corresponding for IRC 965 Transition Statement on Form 1040 or Form 1040-NR, use fill-in paragraph B from Exhibit 3.22.3-12 on Form 13900, and suspend with AC 215. For TY18 and later, if corresponding for Form 965-A on Form 1040 or Form 1040-NR, use any paragraphs from Y through O on Form 13900, and suspend with AC 215.
- (3) For Form 8885 credits on Form 1040-SS (sp) or Form 1040-SS see EC 366 at IRM 3.22.3.264.5.3.
- (4) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 358*, for invalid conditions and correction procedures.

3.22.3.261.1
(01-01-2025)
Fields Displayed-EC 358

- (1) The following fields are displayed for EC 358.

1040-NR	Field Title
01FSC	Filing Status Code

1040-NR	Field Title
01TXP	Tax Period
04HID	Self Employed Health Insurance Deduction
05RIC	Form 2439 Regulated Investment Company Credit
05EYR	Credit For Earlier Year Income Repayment
05OTH	Other Payment or Credit Amount (ERS only)
05TYP	Other Payment or Credit Type Code(ERS only)
05OPR	Total Other Payments and Refundable Credits
221BI	Form 7207 Net Elective Payment Election Amount
221DI	Form 3468 Part III Net Elective Payment Election Amount
221GI	Form 7210 Net Elective Payment Election Amount
231XI	Form 8933 Net Elective Payment Election Amount
94OPV	Total Other Payments and Refundable Credits Verified Amount
S22NP	Section 22 Not Present
S23NP	Section 23 Not Present
S73DP	Section 73 Data Present
S76DP	Section 76 Data Present
76TOT	Total Deferred Tax Liability Amount

3.22.3.261.2
(01-01-2025)
**Correction Procedures
Health Coverage Tax
Credit (Form 8885) on
Form 1040 and Form
1040-NR**

- (1) For TY 22 Form 8885 is historical and line 13c, Schedule 3 is reserved. Taxpayers claim the Health Coverage Tax Credit (HCTC) for TY21 on line 13c, Schedule 3 (TY20, line 12c, Schedule 3; TY19, by checking box c, line 69 on Form 1040-NR).
- (2) For TY 2015 and later, follow the procedures for Schedule 3, line 13c (TY20, Schedule 3, line 12c; TY19, line 13, box c) for Form 8885 in IRM 3.12.3, *EC 358*. To request missing items SSPND 215 and use *Letter 4087C*. Select these paragraphs on Form 13900:
 - a. Form 8885 is missing - any paragraph Y through 0(zero)
 - b. Taxpayer didn't check any boxes in Part I, line 1 - paragraph 9
 - c. Proof of eligibility and/or invoices/proof of payment missing - paragraph 7

Note: Don't use AC 213 on international returns.

- (3) **Tax Year 2014 and prior** - Follow the instructions in EC 358 in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Prior Year (EC 358)*.

3.22.3.262
(11-08-2021)

**Error Code 360 -
Refundable Payments or
Credits Verification**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 360* for invalid conditions, correction procedures, and allowable TPNCs for Form 1040 and Form 1040-NR.

Note: Other Payment or Credit Type “S” is for credits from Form 1042-S on Form 1040. See instructions in EC 366 IRM 3.22.3.264.3.4 if withholding is claimed on Form 1040 from Form 1042-S.

- (2) If the taxpayer writes “Form 8689”, indicating a credit from Form 8689, *Allocation of Income Tax paid to the U.S. Virgin Islands (USVI)*, on the dotted portion of line 33 (TY19, line 19), Form 1040, or on Schedule 3, line 15 (TY20, line 13; TY19, line 14), refer to EC 364 at IRM 3.22.3.263.2.2

3.22.3.262.1
(01-01-2024)

**Fields Displayed EC 360
- Form 1040-NR**

- (1) The following fields are displayed for EC 360.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01FSC	Filing Status Code
01SPC	Special Processing Code
03AGI	Adjusted Gross Income
>>>>>	Adjusted Gross Income Computer
05OTH	Other Payment or Credit Amount (ERS only)
05TYP	Other Payment or Credit Type Code(ERS only)
05OPR	Total Other Payments and Refundable Credits
03PAY	Total Payments
>>>>>	Total Payments Computer
S17NP	Section 17 Not Present
S44NP	Section 44 Not Present

3.22.3.263
(11-08-2021)

**Error Code 364/664 -
Refundable Credits**

- (1) EC 364 generates on Form 1040 and on Form 1040-NR for TY 2020 and later only.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 364*, for invalid conditions, and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.
- (3) Also, refer to EC 366/666, at IRM 3.22.3.264 for additional correction procedures.

3.22.3.263.1
(01-01-2026)

**Fields displayed - EC
364**

- (1) The following fields are displayed for EC 364.

1040-NR	Field Title
01FSC	Filing Status Code
01TXP	Tax Period
01CCC	Computer Condition Code
01RPC	Return Processing Code
01SPC	Special Processing Code
03ACT	Additional Child Tax Credit
>>>>>	Additional Child Tax Credit Computer
03RAC	Refundable Adoption Credit
03RAC>	Refundable Adoption Credit Computer
03ESP	Estimated Tax Payments
05PTC	Reconciled Premium Tax Credit
05PTC>	Computer Reconciled Premium Tax Credit
05EXT	Form 4868 Credit
05ESS	Excess Social Security
05FUE	Fuel Tax Credit, Form 4136
>>>>>	Fuel Tax Credit Computer
05RIC	Form 2439 Regulated Investment Company Credit
05OTH	Other Payment or Credit Amount (ERS only)
05TYP	Other Payment or Credit Type (ERS only)
05DHS	Deferred Taxes Schedule H-Schedule SE
05OPR	Total Other Payments and Refundable Credits
0329	Form 1040C Credit
03RCR	Refundable Credits
>>>>>	Refundable Credits Computer
03PAY	Total Payments
>>>>>	Total Payments Computer

3.22.3.263.2
(11-08-2021)

**Correction Procedures -
EC 364 Refundable
Credits - Form 1040**

- (1) Refer to IRM 3.12.3, Error Resolution, Individual Income Tax Returns, EC 364 for additional correction procedures.

3.22.3.263.2.1
(01-01-2026)

Excess Social Security Tax (SST) and Railroad Retirement Tax (RRTA) - Form 1040

- (1) This field is transcribed from Form 1040, Schedule 3, line 11 (TY20, Schedule 3, line 10; TY19, line 11).
- (2) When processing a return and the address is in a U.S. Territory, take the following action:

If the taxpayer	And	Then
a) Claims excess SST or RRTA,	The taxpayer had one employer that withheld more than the maximum amount (\$10,453.20),	<ol style="list-style-type: none"> Delete entry in Field 05ESS. Complete Form 3696-A to initiate the 404-C letter using fill-in paragraphs B, D and E. Assign TPNC 294. <p>Note: Do Not SSPND.</p>
b) Claims excess SST or RRTA,	The taxpayer had more than one employer , and the combined amount exceeds the maximum amount (\$10,453.20),	<ol style="list-style-type: none"> Verify the entry by combining all Form(s) W-2. Caution: If married filing jointly, each individual taxpayer must meet all criteria. When computing excess SST withheld, ADD Form W-2, Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI. or Form 499R-2 W-2PR for primary and secondary taxpayers separately. If the amount claimed is computed correctly allow the credit and enter the amount in Field 05ESS.
c) Incorrectly figured the amount of excess SST/RRTA,		<ol style="list-style-type: none"> Enter the correct amount in Field 94ESV. Assign TPNC 294.

3.22.3.263.2.2
(01-01-2026)

Form 8689 - Allocation of Income Tax to the U.S. Virgin Islands

- (1) If the taxpayer writes "Form 8689", indicating a credit from Form 8689, *Allocation of Individual Income Tax to the USVI*, on the dotted portion of line 33 (TY19, line 19), Form 1040, or on Schedule 3, line 13 (TY19, line 14), follow the instructions below:

If	And	Then
line 25d (TY19, line 17) Form 1040 includes withholding from Form W-2VI or other VI sources,		<ol style="list-style-type: none"> Disallow the amount and adjust Field 03WH. Assign TPNC 438.

If	And	Then
Form 8689 is attached,		<ol style="list-style-type: none"> 1. Add lines 41 and 46 of Form 8689 (TY 19, add lines 40 and 45 of Form 8689). The amount claimed for the 8689 credit cannot exceed the amount of Total Tax in Field 03TAX of Form 1040. If the total of lines 41 and 46 on Form 8689 is less than or equal to Field 03TAX enter the amount in Field 05OTH and 05OPR and enter "8" in Field 05TYP. 2. If the total of lines 41 and 46 of Form 8689 exceeds the amount of Total Tax in Field 03TAX Form 1040 then reduce the Form 8689 credit to equal the amount of Total Tax. Enter the reduced amount in Field 05OTH and 05OPR and enter 8 in Field 05TYP. Assign TPNC 341. 3. If the amount is different from the amount on the dotted portion of line 33 (TY19, line 19), Form 1040, or Schedule 3, line 13 (TY19, line 14), assign TPNC 364 if EC 366 generates: <p>Note: Do not verify if the amounts are correct on Form 8689.</p>
Form 8689 is not attached,		<p>Enter the amount in Field 05OTH and 05OPR and enter "8" in Field 05TYP.</p> <p>Caution: Before entering the amount in Field 05OTH, verify that the withholding on line 25d (TY19, line 17) does not include withholding paid to the USVI (Form W-2VI)</p>
Form 8689 is not attached,		SSPND 215

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Caution: Before entering the amount in Field 05OTH, verify that the withholding on line 25d (TY19, line 17) does not include withholding paid to the USVI on Form W-2VI or any other USVI source.

3.22.3.263.3
(02-01-2023)

**Correction Procedures -
EC 364 - Form 1040-NR
(TY 2020 and later)**

- (1) Form 1040-NR filers are not eligible for the Recovery Rebate Credit (RRC). If the taxpayer has requested Recovery Rebate Credit on Form 1040-NR by writing-in an amount for RRC do not allow the credit and send TPNC 263.
- (2) Refer to IRM 3.12.3, Error Resolution, Individual Income Tax Returns, EC 364 for additional correction procedures.

3.22.3.263.3.1
(01-01-2025)

**Excess Social Security
Tax (SST) and Railroad
Retirement Tax (RRTA) -
Form 1040-NR**

- (1) This field is transcribed from line 10, Schedule 3 (TY19, Form 1040-NR, line 67).

If	And	Then
a) The taxpayer who is an "F", "J," "M" or "Q" visa holder claims an amount for excess SST or RRTA,	There is an indication that Code & Edit already issued a Letter 513C.	<ol style="list-style-type: none"> 1. Delete SST withheld from Field 05ESS, Field 03PAY and Field 03BDR. 2. Adjust Field 03BDR by the amount claimed for Excess SST. 3. Ensure there is a notation in upper left-hand corner of return stating "513C and Form 843 detached." <p>Caution: DO NOT ASSIGN a TPNC for this issue.</p>
b) The taxpayer who is an "F", "J," "M" or "Q" visa holder claims an amount for excess SST or RRTA,	Code & Edit did NOT issue a Letter 513C.	<ol style="list-style-type: none"> 1. Send Letter 513C. 2. Delete Social Security tax from Field 05ESS. 3. Adjust total payments and Balance Due/Refund. 4. Notate in upper left-hand corner of return "513C and Form 843 detached." <p>Note: Do not assign TPNC</p>
c) The taxpayer claims excess SST or RRTA,	<ul style="list-style-type: none"> • Their Visa is not listed above • they had one employer that withheld more than the maximum amount listed below: <ul style="list-style-type: none"> • TY 2024 -\$10,453.20 • TY 2023 - \$9,932.40 • TY 2022 - \$9,114.00 • TY 2021 - \$8,853.60 • TY 2020 - \$8,537.40 • TY 2019 - \$8,239.80 • TY 2018 - \$7,960.80 • TY 2017 - \$7,886.40 • TY 2015 and 2016 \$7,347.00 • TY 2014 \$7,254.00 	<ol style="list-style-type: none"> 1. Delete entry in Field 05ESS. 2. Complete Form 3696-A to initiate Letter 404-C. 3. Assign TPNC 294. <p>Note: Do Not SSPND.</p>

If	And	Then
d) The taxpayer claims excess SST or RRTA,	The taxpayer had more than one employer , and the combined amount exceeds the maximum amount listed below: <ul style="list-style-type: none"> • TY 2024 - \$10,453.20 • TY 2023 - \$9,932.40 • TY 2022 - \$9,114.00 • TY 2021 - \$8,853.60 • TY 2020 - \$8,537.40 • TY 2019 - \$8,239.80 • TY 2018 - \$7,960.80 • TY 2017 - \$7,886.40 • TY 2015 and 2016 \$7,347.00 • TY 2014 \$7,254.00 	<ol style="list-style-type: none"> 1. Verify the entry by combining all Form(s) W-2. 2. Allow the credit and enter the amount in Field 05ESS.
e) Incorrectly figured the amount for excess SST/RRTA,		<ol style="list-style-type: none"> 1. Enter the correct amount in Field 94ESV. 2. Assign TPNC 294.
f) Form 843 attached,		<ol style="list-style-type: none"> 1. Detach Form 843 2. Route Form 843 to Accounts Management, and Indicate on Routing Slip "Detached from Form 1040-NR" 3. Notate on Form 1040-NR, upper left corner, "513C and 843 Detached."

3.22.3.263.4
(04-25-2023)

**Correction Procedures -
EC 364 - Dual-Status**

- (1) Dual-status taxpayers should not be allowed Recovery Rebate Credit on either of the controlling return. C&E will "X" line 30, Form 1040 if Recovery Rebate Credit is claimed. If the taxpayer claimed Recovery Rebate Credit on a dual-status return, disallow the credit and assign TPNC 483.
- (2) In general nonresident aliens are not eligible for the Education credit from Form 8863. However, a non-resident alien taxpayer may be able to claim an education credit if the taxpayer is married to and files a joint return with a U.S. citizen or resident alien or is a dual status alien that year and chooses to be treated as U.S. resident for the entire year. When a taxpayer claims education credit as a dual-status taxpayer disallow and assign TPNC 424.

3.22.3.263.5
(11-08-2021)

**Allowable Taxpayer
Notice Codes - EC 364**

- (1) Use the following TPNCs for EC 364.

TPNC	Literal
	Any previously sent TPNC
100	
111	Your return was converted to a Form 1040.

TPNC	Literal
218	We computed your tax for you.
252	You incorrectly figured your child tax credit.
280	We changed the amount of household employment taxes on your tax return because there was an error on Schedule H, Household Employment Taxes. The error was in the: <ul style="list-style-type: none"> •Computation of the total tax on Schedule H and/or •Transfer of that amount to your tax return.
294	You computed your excess SST or RRTA Tax withheld incorrectly.
296	Computed or transferred Form 4136 incorrectly.
297	We found an error in the addition of the payments section on your tax return.
298	We deleted the amount of state tax that was shown as due on your federal taxes.
504	We changed the total other payments and refundable credits you claimed because you either didn't complete Schedule 3, Additional Credits and Payments, or you didn't attach it to your tax return.
507	We didn't allow the amount claimed as other payments on your tax return because no form was submitted to substantiate the amount. (Form 1040)
540	We can't allow your EIC. Information reported shows that you don't qualify for it. (Form 1040/Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence. (Form 1040/Form 1040-NR)
582	No reply. Disallowed the amount you reported as Federal Income Tax withheld. (Form 1040)
590	No reply. We can't allow the excess SST or RRTA Tax Withheld.
592	We didn't allow the amount claimed as additional child tax credit on your tax return because Schedule 8812, Additional Child Tax Credit, was incomplete or not attached to your tax return. (PY)
594	Not eligible for HCTC.
595	No reply - Form 2439
596	No reply - Form 4136, Credit for Federal Tax Paid on Fuels.
669	Disallowed all or part of HCTC.
733	We changed the refundable credits on your return because you incorrectly calculated the amount.

TPNC	Literal
759	We adjusted your tax return because you reported income or withholding from different tax years on your return. We processed your tax return with only the income earned and the tax withheld in the year of the tax return. (Form 1040/ Form 1040-NR)
788	We changed the amount you claimed as net premium tax credit on your tax return because there was an error on Form 8962, Premium Tax Credit.
790	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your filing status is married filing separately.
791	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your household income is greater than 400 percent of the federal poverty line.
792	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because you didn't claim any dependents on your return.
794	We didn't allow the amount you claimed as net premium tax credit on your tax return because Form 8962, Premium Tax Credit, was incomplete or not attached to your tax return.
807	We did not allow the credit(s) you claimed on your tax return. The amount you entered is not an allowable credit. We have adjusted your tax return accordingly.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
341	We changed the amount claimed as credit as on Form 8689, because it can't be more than the total tax due on your Form 1040.
355	We changed the amount reported as Additional Medicare Tax, Form 8959 on page 2 of your tax return. There was an error computing Part V, line 24 Form 8959, Additional Medicare Tax. (Form 1040-NR/PR/SS)
364	You made an error transferring the amount of payments made to the U.S. Virgin Islands. We have adjusted your return accordingly.

TPNC	Literal
443	You are not entitled to a refund of tax withheld on U.S. social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85 percent of your social security benefits are taxed at 30 percent. We have adjusted your return accordingly. (Form 1040-NR)
483	We cannot allow the amount you claimed for Recovery Rebate Credit. Dual-status taxpayers are not eligible for this credit. We have adjusted your return accordingly.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.264
(11-08-2021)
**Error Code 366/666 -
Total Payments**

- (1) EC 366 generates when Total Payments is not equal to Total Payments Computer and math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 366*, for invalid conditions, and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.264.1
(01-01-2026)
**Fields Displayed - EC
366**

- (1) The following fields are displayed for EC 366.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01CCC	01CCC	Computer Condition Code
01RPC	01RPC	Return Processing Code
01SPC	01SPC	Special Processing Code
03WH		Withholding from Form(s) W-2 or Form (s) 1099
0325E		Withholding from Form(s) 8805
0325F		Withholding from Form(s) 8288-A
0325G		Withholding from Form(s) 1042-S
03ESP	03ESP	Estimated Tax Payments
03ACT	03ACT	Additional Child Tax Credit
>>>>>		Additional Child Tax Credit Computer
03RAC		Refundable Adoption Credit
03RAC>		Refundable Adoption Credit

1040-NR	1040-SS (sp)/1040-SS	Field Title
05PTC		Taxpayer Reconciled Premium Tax Credit Amount
05PTC>		Computed Reconciled Premium Tax Credit
05EXT		Form 4868 Credit
05ESS	05ESS	Excess Social Security
05FUE		Fuel Tax Credit, Form 4136
>>>>		Fuel Tax Credit Computer
05RIC		Form 2439 Regulated Investment Company Credit
	05DHS	Deferred Taxes Schedule H-Schedule SE
05OTH	05OTH	Other Payment or Credit Amount (ERS only)
05TYP	05TYP	Payment or Credit Type Code (ERS only, type of credit from current year or prior year expired credit)
05OPR		Total Other Payments and Refundable Credits
0329		Form 1040C Credit
03RCR		Refundable Credits
>>>>>		Refundable Credits Computer
03PAY	03PAY	Total Payments
>>>>	>>>>	Total Payments Computer
03CEL	03CEL	Estimated Tax Credit Elect
03BDR	03BDR	Balance Due/Refund
>>>>	>>>>	Balance Due/Refund Computer
03BDR>	03BDR>	Balance Due/Refund Taxpayer Computer

Note: The fields displayed for EC 666 will include a Clear Code field and Field 02NC> and all other fields will be the same as EC 366.

3.22.3.264.2
(11-08-2021)

**Correction Procedures -
EC 366**

- (1) Correct coding and transcription errors and misplaced entries in displayed Fields.
- (2) Refer to all instructions for the Error Code.

Caution: When processing international cases, care must be taken to follow all instructions in IRM 3.12.2, *Individual Master File Error Resolution General Instructions* concerning identifying and forwarding possible refund scheme, frivolous and fraudulent cases to the appropriate areas of the Service.

3.22.3.264.3
(11-08-2021)

**Correction Procedures -
EC 366- Form 1040**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 366* for additional correction procedures

3.22.3.264.3.1
(04-28-2022)

**Total Payments - EC 366
- Form 1040**

- (1) Total Payments is found on Form 1040 - line 33 (TY19, line 19) and transcribed in Field 03PAY.
- (2) Refer to EC 364 at IRM 3.22.3.263.2.1 for instructions on Excess Social Security and Railroad Retirement Tax.
- (3) Refer to EC 364 at IRM 3.22.3.263.2.2 for instructions on Form 8689, *Allocation of Individual Income Tax to the USVI*.
- (4) If there is an entry for Total Payments and the preceding fields in Section 03 and 05 are blank, follow the instructions in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Total Payments (EC 364)*, with these exceptions:

- b. If research shows that withholding claimed is supported by Form W-2, Form 1099, Form 8805, Form 1042-S, or Form 8288-A follow the additional instructions in IRM 3.22.3.264.3 for the applicable forms.
- c. When corresponding for missing withholding support, SSPND 215 and select paragraph L and a on Form 13900.
- d. If the taxpayer resides in a U.S. territory or there is an indication the taxpayer has income from a U.S. territory and did **NOT** attach a Form W-2, **DO NOT** use CC IRPTR to verify withholding.

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3.22.3.264.3.2
(04-28-2022)

**Form 1040 - Federal
Withholding**

- (1) Federal Withholding is reported on Form 1040 - line 25a through 25c, but it transcribed in Field 03WH from line 25d, (TY19, line 17).
- (2) If there's an entry for Federal Withholding then follow the instructions in IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Total Payments (EC 366)*, with these exceptions:

- b. If research shows that withholding claimed is supported by Form SSA/ RRB 1042-S, Form 8805, Form 1042-S, or Form 8288-A follow the additional instructions in IRM 3.22.3.264.3 for the applicable forms.
- c. When corresponding for missing withholding support, SSPND 215 and select paragraph L on Form 13900.
- d. If the taxpayer resides in a U.S. territory or there is an indication the taxpayer has income from a U.S. territory and did **NOT** attach a Form W-2, **DO NOT** use CC IRPTR to verify withholding.
- e. On MeF returns only, if withholding is from a Form W-2 with both employer and employee addresses in Puerto Rico, SSPND 215 and correspond using Form 13900 and selecting fill-in paragraph D from Exhibit 3.22.3-12.

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Note: Do not correspond for Form W-2 for this reason if the taxpayer does not have a U.S. filing requirement. See IRM 3.22.3.9.5.2 for instructions.

- (3) **Tax Returns with Income or Address from Guam or the Commonwealth of the Northern Mariana Islands (CNMI)** - A U.S. citizen or resident alien who is not a bona fide resident of Guam or CNMI files Form 1040 or and includes all federal income tax withheld by the United States and all state tax withheld by the U.S. territory. The tax withheld is reported on line 25d (TY19, line 17). If the taxpayer is reporting worldwide income, then allow the withholding if reported on Form W-2CM or Form W-2GU, and if reported on Form W-2 in box 17, state income tax withheld from CNMI (code CQ in box 15) or Guam (code GQ).
- (4) **U.S. Territory other than Guam or CNMI, and Foreign Withholding** - If withholding is reported on Form W-2 from U.S. territories other than Guam or CNMI, or any other foreign withholding is reported, follow the table below.

If withholding is reported on:	Then
Form W-2PR/499R-2 or Form W-2AS,	Delete the withholding and assign TPNC 438.
Form W-2VI and/or taxpayer indicates Form 8689 on the dotted portion of line 33 (TY19, line 19), Form 1040, or Schedule 3, line 13 (TY19, line 14),	Follow instructions for Form 8689 under IRM 3.22.3.263.2.2.
Any other foreign country or territory,	Delete the withholding and assign TPNC 438.

3.22.3.264.3.3
(04-28-2022)

**Form 1040 - Tax
Withheld on Form
SSA/RRB 1042-S**

- (1) **Form 1040** - A Resident alien's withholding tax is refundable by SSA or IRS if the tax was incorrectly withheld. If SSA cannot refund the taxes withheld, the taxpayer must file a Form 1040. Refer to IRM 3.22.3.164.1 for a list of taxpayers that by country are exempt under a tax treaty.
- (2) Electronically filed (MeF) Form 1040 will generate CCC Y if Form SSA/RRB 1042-S is attached to force the return to ERS for review using the procedures below. Documentation attached to the MeF return will be named "Signed Declaration" and "Green Card".
- (3) Although Code & Edit will move SSA/RRB 1042-S withholding to the dotted portion of line 33 (TY19, line 19), Form 1040 for ERS review, if any of the conditions listed below exist process the return without citizenship or residency documentation. Allow the withholding by entering the taxpayer's amount into Field 03WH, Form 1040:
- Taxpayer reporting worldwide income (Wages, Interest, Investment Income, Self-Employment Income, SE Tax, etc.) along with SSA/RRB benefits.
 - Nonresident alien filing jointly with a U.S. citizen electing to be treated as a resident alien for tax purposes.
 - Resident of a U.S. territory.
- (4) **Form 1040** - If Form SSA/RRB 1042-S is attached, follow the instructions below:

If	And	Then
Form(s) SSA 1042-S and/or RRB 1042-S is attached,	The taxpayer has attached a green card (for the same taxpayer listed on the SSA/RRB 1042-S) and signed the Declaration or signed Statement with similar words, (see Declaration below) "The SSA withheld taxes erroneously because I am a U.S. permanent resident and my green card has been neither revoked nor administratively or judicially determined to have been abandoned. I am filing a U.S. income tax return for the taxable year as a resident alien reporting all my worldwide income. I have not claimed benefits for the taxable year under an income tax treaty as a nonresident alien." Note: Disregard the expiration date if indicated on the green card. Per Pub 519 green cards are valid after the expiration date.	<ul style="list-style-type: none"> • Allow the refund of withholding tax. • Form 1040 - Enter the amount in Field 03WH.
Form(s) SSA 1042-S and/or RRB 1042-S is attached,	The green card for the appropriate taxpayer is not attached and/or signed declaration or statement is not attached,	SSPND 215 and select Paragraph N of Form 13900

3.22.3.264.3.4
(04-28-2022)

**Form 1042-S - Tax
Withheld at Source on
Form 1040 (Form
1042-S)**

- (1) All Form 1042-S withholding claims must be supported by Form 1042-S. If the research indicates the withholding claimed is from Form 1042-S and the form is not attached, SSPND 215 and select paragraph L of Form 13900.
- (2) Tax withheld on Form 1042-S is entered by the taxpayer on line 25g TY19, line 17) and moved by Code & Edit to the on the dotted portion of line 33 (TY19, line 19) of Form 1040. (Refer to instructions at IRM 3.22.3.264.3.3 for income or withholding from Form SSA/RRB 1042-S).

Note: If the only income reported is from Form(s) 1042-S, Code & Edit is instructed to correspond for the filer's U.S. status.

If Form 1042-S is attached	And	Then
a) The only source of income is from Form 1042-S and Code & Edit did NOT correspond for the filer's U.S. status,	The return or attachments includes a statement that identifies the taxpayer as a U.S. citizen or resident alien filing Form 1040,	Follow the instructions in (c) or (d) below for U.S. citizens and resident aliens.
b) The only source of income is from Form 1042-S, and Code & Edit did NOT correspond for the filer's U.S. status,	The return doesn't include a statement that identifies the taxpayer as a U.S. citizen or resident alien,	SSPND 215 selecting paragraph X of Form 13900.
c) If the taxpayer is reporting worldwide income as a U.S. citizen or resident alien,	The Form 1042-S withholding amount is on the dotted portion of line 33 (TY19, line 19),	<ul style="list-style-type: none"> Enter the amount in Field 05OTH. For FLC 20, enter "S" in Field 05TYP.
d) If the taxpayer is reporting worldwide income as a U.S. citizen or resident alien,	The Form 1042-S withholding amount is NOT on the dotted portion of line 33 (TY19, line 19),	<ol style="list-style-type: none"> Adjust Field 03WH to exclude the tax withheld on Form 1042-S. Enter the tax withheld amount claimed from Form 1042-S in Field 05OTH. For FLC 20, enter "S" in Field 05TYP.

3.22.3.264.3.5
(01-01-2024)

(1) This amount is entered on the dotted portion of Form 1040, line 33 (TY19, line 19).

**Form 8288-A - Statement
of Withholding on
Certain Dispositions by
Foreign Persons on
Form 1040**

If	Then
a) Form 8288-A or substantial evidence which shows the amount of the tax withheld is not attached, Example: Signed or initialed closing documents or settlement statement, or Form 8288-A Copy B (stamped or not stamped by the IRS)	SSPND 215 for Form 8288-A selecting paragraph L on Form 13900.
b) Form 8288-A credit is claimed and has not been verified on the FIRPTA (Foreign Investment in Real Property Tax Act) database,	SSPND 360 and attach Form 4227 and notate FIRPTA verification required. Note: FIRPTA tax withheld is verified following the procedures in IRM 3.21.25.17, <i>International Returns and Document Analysis - Miscellaneous Tax Returns, Credit Verifying Form 8288-A (FIRPTA) Credits</i> .
c) Credit is verified and it is the same amount the taxpayer reported,	1. Leave Form 13698 attached to the return. 2. Enter the amount in Field 05OTH and enter "Z" in Field 05TYP.
d) Credit is verified and it is a different amount than what the taxpayer reported, Caution: Enter only the amount that was verified not to exceed the amount the taxpayer is claiming.	1. Leave Form 13698 attached to the return. 2. Enter verified amount in Field 05OTH and enter "Z" in Field 05TYP.
e) The credit is verified, but less than the amount that the taxpayer claimed, and is greater than zero,	Assign TPNC 436.
f) The credit is verified to zero,	Assign TPNC 434.

3.22.3.264.3.6
(04-28-2022)

(1) This amount should be entered on the dotted portion of Form 1040, line 33 (TY19, line 19).

**Form 8805 - Foreign
Partner's Information
Statement of Section
1446 Withholding Tax on
Form 1040**

If	And	Then
Form 8805 is attached,		Enter the amount in Field 05OTH and enter "Z" in Field 05TYP.

If	And	Then
Form 8805 is attached,	The Form 8805 withholding amount is NOT on the dotted portion of line 33 (TY19, line 19),	<ol style="list-style-type: none"> 1. Adjust Field 03WH to exclude the tax withheld on Form 8805. 2. Enter the tax withheld amount on Form 8805 in Field 05OTH and enter "Z" in Field 05TYP.
Form 8805 is not attached,		Allow the credit.
Form 8805 is not attached,		SSPND 215 for Form 8805 selecting paragraph L of Form 13900.

#

#

- (2) Refund of Section 1446 Tax (Form 8805) - Code & Edit is instructed to "X"

#

on Form 8805 is different from the TIN in the Entity Section on Form 1040.

- (3) Compare the taxpayer's TIN on the Form 1040 and the TIN on Form 8805 and follow the instructions in the chart below:

If	Then
TINs are the same,	<ol style="list-style-type: none"> 1. Allow withholding. 2. Enter the amount in Field 05OTH and enter "Z" in Field 05TYP.
TINs are different OR there is no TIN on the Form 8805,	<ol style="list-style-type: none"> 1. Delete the withholding amount. 2. Assign TPNC 441. <p>Exception: If a valid TIN has been newly assigned or was assigned after the tax year of the return, but is not on Form 8805, verify that the name on Form 8805 is the same as the taxpayer on the return and allow the withholding. (A temporary TIN (IRSN) assigned by the IRS isn't a valid TIN.)</p>

3.22.3.264.4
(11-08-2021)

**EC 366 - Correction
Procedures-Form
1040-NR**

- (1) Use the following procedures for Form 1040-NR.

3.22.3.264.4.1
(05-09-2025)

**Total Payments- EC 366
- Form 1040-NR**

- (1) Total Payments is found on Form 1040-NR - line 33 (TY19, line 71) and transcribed in Field 03PAY:
- (2) Refer to EC 364 at IRM 3.22.3.263.3.1 for instructions on Excess Social Security and Railroad Retirement Tax.

- (3) If there is an entry for Total Payments and the preceding fields in Section 03 and 05 are blank, follow the instructions in the chart below:

If	Then
No support for withholding or other payments or credits is attached to the return,	Use CC IRPTR to search for amounts or combination of amounts that match the entry for Total Payments.
IRPTR shows withholding documents that support the amount for Total Payments,	Use the instructions in IRM 3.22.3.264.4 as applicable for each type of withholding to verify the amount claimed on the return.
IRPTR data isn't available or IRPTR doesn't support the amount claimed,	SSPND 215 and correspond using paragraph L on Form 13900.

3.22.3.264.4.2

(11-08-2021)

Withholding - Form 1040-NR

- (1) Fields 03WH, 0325E, 0325F, 0325G (Form 1040-NR) are transcribed from:

- Form 1040-NR, line 25d (TY19, line 62a) - Withholding from Form W-2 or Form 1099
- Form 1040-NR, line 25e (TY19, line 62b) - Withholding from Form 8805
- Form 1040-NR, line 25f (TY19, line 62c) - Withholding from Form 8288-A
- Form 1040-NR, line 25g (TY19, line 62d) - Withholding from Form 1042-S

- (2) Use the instructions in IRM 3.22.3.264.4 that correspond to the withholding line on the return and the supporting forms attached to the return. If withholding is entered by the taxpayer or transcribed on the incorrect line (for instance, Form 8805 withholding is entered on line 25g), move the allowable amount to the correct line before closing the return.

Note: Credits posted on lines 25e - g (TY19, lines 62b - d) are assigned unique reference numbers on Master File that identify the type of credit. Posting the credit on the wrong line will incorrectly identify the source of the withholding on Master File.

3.22.3.264.4.3

(11-03-2022)

Field 03WH - U.S. Tax Withheld on Form W-2, Form 1099 and Other Forms

- (1) If withholding from any of the Form W-2 type forms listed below or any other foreign withholding is claimed, delete the withholding and assign TPNC 438.

- Form W-2AS
- Form W-2CM
- Form W-2GU
- Form W-2PR/499R-2
- Form W-2VI.

- (2) If an amount is reported on line 25d (TY19, line 62a) of Form 1040-NR follow these instructions:

If	And	Then	
	The amount claimed is not supported by Form W-2 or Form 1099 or similar statement of U.S. withholding,	SSPND 215 and correspond using paragraph L of Form 13900 if unable to verify the withholding using CC IRPTR. Note: If IRPTR shows the withholding is from Form SSA/ RRB 1042-S, Form 8805, Form 1042-S, or Form 8288-A follow the instructions for these forms in IRM 3.22.3.264.4.	#
	The amount is supported or not supported,	Allow the withholding and enter in Field 03WH (Form 1040-NR).	#
Withholding is greater than 30%		SSPND 335 to FRP.	# #

3.22.3.264.4.4
(03-06-2024)

Field 0325E - U.S. Tax Withheld at Source by Partnerships Under Section 1446 (Form 8805)- Form 1040-NR

- (1) This field is transcribed from line 25e (TY19, line 62b), Form 1040-NR.

If	And	Then	
Form 8805 or an official statement of withholding from the withholding agent or employer is not attached,		Allow the credit.	# #
Form 8805 or an official statement of withholding from the withholding agent or employer, is not attached ,		SSPND 215 for Form 8805. selecting paragraph L on Form 13900	# #

- (2) Refund of Section 1446 Tax (Form 8805) - Code & Edit is instructed to "X" on Form 8805 is different from the TIN in the Entity Section on Form 1040-NR.
- (3) Compare the taxpayer's TIN on the Form 1040-NR and the TIN on Form 8805 and follow the instructions in the chart below:

If	Then
TINs are the same, Caution: If there is no TIN or a partially masked TIN on Form 8805 verify the names are the same as on the Form 1040-NR and allow the withholding if the names match.	<ol style="list-style-type: none"> 1. Allow withholding. 2. Enter the amount in Field 0325E.
TINs are different, OR The name does not match Form 8805,	<ol style="list-style-type: none"> 1. Delete the withholding amount in Field 0325E. 2. Assign TPNC 441. <p>Exception: If a valid TIN has been newly assigned or was assigned after the tax year of the return, but is not on Form 8805, verify that the name on Form 8805 is the same as the taxpayer on the return and allow the withholding. (A temporary TIN (IRSN) assigned by the IRS isn't a valid TIN.)</p>

3.22.3.264.4.5
(01-01-2024)

(1) This field is transcribed from line 25f (TY19, line 62c), Form 1040-NR.

**Field 0325F - U.S. Tax
Withheld on Certain
Dispositions by Foreign
Persons(Form 8288-A) -
Form 1040-NR**

If	Then
a) Form 8288-A or substantial evidence which shows the amount of the tax withheld is not attached, Example: Signed or initialed closing documents or settlement statement, or Form 8288-A Copy B (stamped or not stamped by the IRS)	SSPND 215 for Form 8288-A selecting paragraph L on Form 13900, Note: Follow the instructions in paragraphs (c) and (d) below before corresponding.
b) Form 8288-A or substantial evidence is attached, but no Form 13698, <i>International Credit(s) Verification Slip</i> , is attached to show the amount of credit verified in the FIRPTA database,	SSPND 360 and attach Form 4227 and notate "FIRPTA verification required". Note: FIRPTA tax withheld is verified following the procedures in IRM 3.21.25.16, <i>International Returns and Document Analysis - Miscellaneous Tax Returns, Credit Verifying Form 8288-A (FIRPTA) Credits</i> The credit is denied if the taxpayer doesn't have a valid TIN (SSN or ITIN) on the tax return.
c) Credit is verified on the FIRPTA database and Form 13698 is present,	Verify that Form 8288-A, box 3 amount(s) (or the sales price from the settlement statement) is reported on one of the following: <ul style="list-style-type: none"> • Schedule D column (d) • Form 4797 column (d) • Schedule E Part II • Form 4684 Section B
d) Form 8288-A box 3 amount(s) (or the sales price from the settlement agreement) is not reported, and Code & Edit did not dummy Schedule D,	SSPND 215 and correspond selecting paragraph 4 on Form 13900 for <i>Letter 4087C</i> .
e) Credit is verified and it is the same amount the taxpayer reported,	1. Leave Form 13698 attached to the return. 2. Enter the amount in Field 0325F Note: If the amount was transcribed in another field move the amount to Field 0325F.
f) Credit is verified and it is a different amount than what the taxpayer reported, Caution: Enter only the amount that was verified not to exceed the amount the taxpayer is claiming.	1. Leave Form 13698 attached to the return. 2. Enter verified amount in Field 0325F. Note: If the amount was transcribed in another field move the amount to Field 0325F.
g) The credit is verified but less than the amount that the taxpayer claimed and is greater than zero,	Assign TPNC 436.
h) The credit is verified to zero,	Assign TPNC 434.

3.22.3.264.4.6
(03-03-2023)

**Field 0325G - Form
1042-S Withholding
Form 1040-NR**

- (1) This field is transcribed from Form 1040-NR - line 25g (TY19, line 62d)
- (2)

If	Then
Form 1042-S from the withholding agent or employer is not attached,	SSPND 215 for Form 1042-S selecting paragraph L on Form 13900. Exception: Don't correspond for Form 1042-S if a letter signed by the "United States Competent Authority" is attached to the return.

Note: Withholding from gambling winnings may be reported on a Form 1042-S recipient copy that is formatted as a receipt-type commercial statement. If a taxpayer provides a Form 1042-S in receipt format as support for withholding on line 25g (TY19, line 62d) of Form 1040-NR, accept the receipt if it is issued by a business and includes the date, recipient information, the amount of the gambling winnings, and the amount of tax withheld.

- (3) If line 25g (TY19, line 62d) withholding was deleted at EC 215 on a MeF Form 1040-NR because a Form 1042-S is missing both the TIN and recipient name, then assign TPNC 441.
- (4) Follow these instructions when Code & Edit has "X'd" line 25g (TY19, line 62d), or when Form 1042-S is received with a reply to correspondence.

Note: Code & Edit may "X" line 25g (TY19, line 62d) for missing information on Form 1042-S.

If	And	Then
a) Recipient TIN is missing in box 13e of Form 1042-S,	Recipient Name in box 13a is the same as the taxpayer on the return,	1. Allow the withholding. 2. Enter in Field 0325G (Form 1040-NR).
b) Recipient TIN is missing in box 13e of Form 1042-S,	No recipient name is present in box 13a,	1. Delete this withholding from Field 0325G (Form 1040-NR). 2. Assign TPNC 441.
c) Recipient TIN in box 13e of Form 1042-S is an ITIN,	Taxpayer's TIN on the tax return is a SSN, and the recipient name in box 13a is the same as the taxpayer name on the return,	1. Allow the withholding. 2. Enter in Field 0325G (Form 1040-NR).
d) Recipient TIN is missing in box 13e of Form 1042-S,	Recipient Name in box 13a is present but not the same as the taxpayer on the return,	1. Delete the Form 1042-S income and withholding from the return. 2. Assign TPNC 334.

- (5) If a letter signed by the “United States Competent Authority” is attached to the return, then allow the taxpayer’s amount of withholding claimed on line 25g (TY19, line 62d) of Form 1040-NR.

3.22.3.264.4.7
(01-01-2025)

**Tax Withheld on Form
SSA/RRB 1042-S Form
1040-NR**

- (1) If Form SSA/RRB 1042-S is attached to Form 1040-NR, follow all the steps below.

Note: If the form isn’t attached, CC IRPTR can be used to confirm withholding claimed for Form SSA/RRB 1042-S. If found on IRPTR then follow these steps. If not found, then SSPND 215 and correspond for the form.

- a. Refer to paragraph EC 311 at IRM 3.22.3.233.3.3 for a list of taxpayers that by country are exempt from taxation of their Social Security benefits under a tax treaty. Don’t enter the SSA/RRB income for these taxpayers in Section 46.
- b. For all others, multiply the SSA/RRB income by 85 percent and enter the result in Field 4613C.

Exception: For residents of Switzerland, enter the result in Field 4613B. Switzerland residents are taxed at 15 percent.

- c. Enter the withholding amount in Field 0325G.
- d. Assign TPNC 443.

Caution: The 30 percent (or 15 percent) tax must be computed on 85 percent of the social security benefits. (e.g., If the taxpayer has \$3000 of SSA/RRB income, they must pay tax on it. Multiply \$3,000 X 85 percent = \$2550. The tax on \$2550 X 30 percent = \$765.).

3.22.3.264.5
(01-01-2024)

**Correction Procedures -
EC 366 - Form 1040-SS
(sp)/Form 1040-SS**

- (1) Use the following procedures for Form 1040-SS (sp)/Form 1040-SS.

3.22.3.264.5.1
(01-01-2025)

**Form 1040-SS (sp) and
Form 1040-SS - EC 366 -
Total Payments**

- (1) This field is transcribed from Form 1040-SS (sp) and Form 1040-SS, line 12 (TY19, line 11).
- (2) To arrive at Total Payments Computer, the computer adds Field 03ESP, Field 05ESS, Field 03ACT, Field 05EXT, Field 05DHS, and Field 05OTH for Form 1040-SS (sp) and Form 1040-SS.
- (3) If the taxpayer has noted write-in “SLFLC” on line 12, and taxpayer is using the amount in the computation of total payments, Schedule H must be attached. If the write-in “SLFLC” is not supported by Schedule H, SSPND 215, and use Letter 2894C/SP. Select paragraph L and T.
- (4) If the taxpayer has noted write-in “SLFLC” on line 12, and taxpayer is using the amount in the computation of total payments, and Schedule H is attached, enter the amount in Field 05OTH.
- (5) If a taxpayer from Puerto Rico is claiming the refundable American Opportunity Credit as a “write-in” in the Total payments and credits section of Form

1040-SS (sp) or Form 1040-SS, or indicates the credit is claimed by attaching Form 8863, then delete the credit amount if included in lines 7 through 10 and take the following actions:

- a. If EC 366 displays assign a TPNC 478.
- b. Return any documentation for education expenses attached to the return (e.g., Form 1098-T, tuition statements) to the taxpayer by preparing a Form 5260, Quick Note, using the following literal and mail to the taxpayer using the address on the return:
 (Form 1040-SS) - Bona fide residents of Puerto Rico receive the refundable part of the American Opportunity Credit from the Puerto Rico Treasury Department by filing a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501. We removed the credit from your Form 1040-SS, *U.S. Self-Employment Tax Return*. We're returning the supporting documentation you submitted.
 (Form 1040-SS (sp)) - Los residentes bona fide de Puerto Rico reciben la parte reintegrable del Crédito Contributivo de Oportunidad para los Estadounidenses, del Departamento del Tesoro de Puerto Rico, al radicar la planilla con el Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501. Hemos eliminado el crédito de su Formulario 1040-SS (sp), *Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia*. Estamos devolviendo la documentación de apoyo que envió

- (6) If the taxpayer has an entry in the dotted portion of line 11 indicating a payment was made with an extension to file request such as Form 4868, GTSEC 05 and enter that amount into Field 05EXT.
- (7) If there is an entry in Field 03PAY (Total Payments) and Field 03ESP, Field 05ESS, Field 03ACT, Field 05EXT, and Field 05DHS are blank follow the instructions below:

If	And	Then
There is no supporting documentation,	The amount claimed	Enter the amount in Field 03ESP.
There is no supporting documentation,	The amount claimed	SSPND 215 and correspond.

#

#

- (8) If the taxpayer figured total payments incorrectly, issue TPNC 376 (Form 1040-SS (sp)) or TPNC 346 (Form 1040-SS).

3.22.3.264.5.2
(01-01-2025)

**Field 05ESS Excess
Social Security Tax
(SST) and Railroad
Retirement Tax (RRTA) -
Form 1040-SS (sp)/Form
1040-SS**

- (1) This field is transcribed from line 9, Form 1040-SS (sp)/Form 1040-SS.
- (2) Follow the instructions below if there is an error in excess Social Security Tax Withheld.

If the taxpayer	And	Then
a) Claims excess SST or RRTA,	<p>The taxpayer had one employer that withheld more than the maximum amount listed below:</p> <ul style="list-style-type: none"> • TY 2024 - \$10,453.20 • TY 2023 - \$9,932.40 • TY 2022 - 9,114.00 • TY 2021 - \$8,853.60 • TY 2020 - \$8,537.40 • TY 2019 - \$8,239.80 • TY 2018 - \$7,960.80 • TY 2017 - 7,886.40 • TY 2015 and 2016 \$7,347.00 • TY 2014 \$7,254.00 	<ol style="list-style-type: none"> 1. Delete the SST/RRTA from that employer. 2. Complete Form 3696-A to initiate the 404-C letter using fill-in paragraphs B, D and E. 3. When EC 366 generates, assign TPNC 331 on Form 1040-SS, 361 on Form 1040-SS (sp).
b) Claims excess SST or RRTA,	<p>The taxpayer had more than one employer, and the combined amount exceeds the maximum amount listed below:</p> <ul style="list-style-type: none"> • TY 2024 - \$10,453.20 • TY 2023 - \$9,932.40 • TY 2022 - \$9,114.00 • TY 2021 - \$8,853.60 • TY 2020 - \$8,537.40 • TY 2019 - \$8,239.80 • TY 2018 - \$7,960.80 • TY 2017 - \$7,886.40 • TY 2015 and 2016 \$7,347.00 • TY 2014 \$7,254.00 	<p>Enter the amount in Field 94ESV.</p> <p>Caution: If married filing jointly, each individual taxpayer must meet all criteria. When computing excess SST withheld, add supporting documentation (Form W-2, Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI or Form 499R-2/W-2PRs) for primary and secondary taxpayer separately.</p>
c) Claims excess SST or RRTA,	No supporting documentation attached (Form W-2, Form W-2AS, Form W-2CM, Form W-2GU, Form W-2VI or Form 499R-2/W-2PRs)	SSPND 215 to correspond and use paragraph H Form 13975 for <i>Letter 2894C/SP</i> .
d) Incorrectly figured the amount of excess SST/RRTA,		<ol style="list-style-type: none"> 1. Enter the correct amount in Field 94ESV. 2. Assign TPNC 331 for Form 1040-SS, TPNC 361 for Form 1040-SS (sp).
e) Correctly figured the amount of excess SST/RRTA		Enter the amount in to Field 94ESV.

3.22.3.264.5.3
(01-01-2025)

**Line 10, Form
1040(PR)/Form 1040-SS,
Form 8885, Health
Coverage Tax Credit
(HCTC)**

- (1) Taxpayers claim the Health Coverage Tax Credit (HCTC) on line 10 of Form 1040-SS and Form 1040(PR). For TY 2022 Form 8885 is made historical and line 13c, Schedule 3 is reserved.
- (2) For **TY 2015 -TY 2021**, follow the procedures for Form 1040 Schedule 3, Line 12c (TY19, Line 13, box c) for Form 8885 in IRM 3.12.3, *EC 348*. To request missing items SSPND 215 and use *Letter 2894C/SP*. Select these paragraphs on Form 13975:
 - a. Form 8885 is missing - paragraph O
 - b. Invoices or proof of payments are missing - paragraph Q
 - c. Proof of eligibility is missing- paragraph R

Reminder: Don't use AC 213 on international returns.

- (3) **Tax Year 2014** Amended Returns - Taxpayers are instructed to file Form 1040(PR) or Form 1040-SS without attaching Form 8885 for TY 2014. If they are eligible for HCTC, they are instructed to file Form 8885 using an amended Form 1040(PR)/SS. Taxpayers amend Form 1040(PR)/SS by writing "CORRECTED" at the top of page 1 of the corrected return. If the taxpayer has written "CORRECTED" at the top of page 1 refer to the Rejects work leader to RJECT the amended return and route to ICT for processing.
- (4) **Tax Year 2014** Original Filing - If the taxpayer didn't write "CORRECTED" on the return, take the following actions for TY 2014 paper returns suspended AC 491 when Form 8885 is attached and an amount is included in total payments for HCTC:
 - a. Detach Form 8885 and any supporting documentation.
 - b. Assign TPNC 378.
(Form 1040(PR)) - 378.
 - c. Prepare Form 5260, Quick Note, using the following verbiage:
(Form 1040-SS) - For tax year 2014, Form 8885, *Health Coverage Tax Credit*, must be submitted by amending your Form 1040-SS. We are removing Form 8885 and the amount from your return. We are returning the form to you and any supporting documentation you submitted. You will need this information to submit an amended Form 1040-SS. Form 1040-SS and instructions can be obtained by visiting www.irs.gov or call 800-TAX-FORM (800-829-3676).
(Form 1040(PR)) - Para el año contributivo 2014, el Formulario 8885, *Health Coverage Tax Credit (Crédito contributivo por la cobertura de salud)*, debe presentarlo enmendando su Formulario 1040-PR. Estamos eliminando el Formulario 8885 y la cantidad de su planilla. Le estamos devolviendo el formulario y toda la documentación de apoyo que envió. Usted necesitará esta información para presentar un Formulario 1040-PR enmendado. El Formulario 1040-PR y sus instrucciones pueden obtenerse visitando www.irs.gov/espanol o llame al 800-TAX-FORM (800-829-3676).
 - d. Attach Form 8885 and any documentation to Form 5260 and mail to the taxpayer using the address on the return.

3.22.3.264.5.4
(01-01-2025)

**Form 8959 - Additional
Medicare Tax- Form
1040-SS (sp)/Form
1040-SS**

- (1) A taxpayer reports the amount from line 24 of Form 8959 on line 11a (TY23-20, line 12: TY19, line 11) of Form 1040-SS (sp)/Form 1040-SS. If the taxpayer indicates that the entry on line 12 (TY19, line 11) includes an amount from Form 8959 and the form isn't attached to the return, SSPND 215 and correspond for the form using Form 13975. Include with the correspondence fill-in paragraph PD for Form 1040-SS (sp) or PJ for Form 1040-SS from Exhibit 3.22.3-13.

#

amount is included in total payments on line 12 (TY19, line 11) of Form 1040-SS (sp)/SS, verify the line 24 amount using the following instructions. SSPND 215 and correspond for missing support using Form 13975 and selecting fill-in paragraph PD for Form 1040-SS (sp) or PJ for Form 1040-SS in Exhibit 3.22.3-13.

- a. Line 19 - Add Medicare tax withheld amounts from the Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR attached to the return. For Form 499R-2/W-2PR, Medicare tax withheld is reported in Box 20.
- b. Line 20 - Add Medicare wage amounts from Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR. For Form 499R-2/W-2PR, Medicare wages and tips are reported in Box 19.
- c. Line 21 - Multiply the line 20 calculated amount by 1.45%.
- d. Line 24 - Figure the difference between the calculated amounts for line 19 and line 21.
- e. Enter the line 24 amount in Field 05OTH, and enter "Z" in Field 05TYP. If EC 366 regenerates assign TPNC 355.

Note: TPNC 355 generates a notice in English or Spanish as appropriate to the tax return.

3.22.3.264.6
(01-01-2025)

**Allowable Taxpayer
Notice Codes - EC 366**

- (1) Use the following TPNCs for EC 366.

TPNC	Literal
	Any previously sent TPNC
100	
111	Your return was converted to a Form 1040.
218	We computed your tax for you.
252	You incorrectly figured your child tax credit.
280	We changed the amount of household employment taxes on your tax return because there was an error on Schedule H, Household Employment Taxes. The error was in the: <ul style="list-style-type: none"> •Computation of the total tax on Schedule H and/or •Transfer of that amount to your tax return.

TPNC	Literal
283	We adjusted your federal income tax withheld to reflect the amounts shown on Form(s) W-2 or other supporting documents. (Form 1040/Form 1040-NR)
284	We computed your EIC. (Form 1040)
285	Figured or entered EIC incorrectly. (Form 1040)
286	We can't allow your EIC because of your filing status. (Form 1040)
287	We can't allow your EIC. AGI is more than the maximum amount. (Form 1040)
288	We can't allow your EIC. No earned income (Form 1040)
290	We can't allow your EIC. DSI box checked. (Form 1040)
292	We figured your EIC. However, you may be eligible for more. (Form 1040)
294	You computed your excess SST or RRTA Tax withheld incorrectly.
296	Computed or transferred Form 4136 incorrectly.
297	We found an error in the addition of the payments section on your tax return. (Form 1040/Form 1040-NR)
298	We deleted the amount of state tax that was shown as due on your federal taxes. (Form 1040/Form 1040-NR)
507	We didn't allow the amount claimed as other payments on your tax return because no form was submitted to substantiate the amount. (Form 1040)
504	We changed the total other payments and refundable credits you claimed because you either didn't complete Schedule 3, Additional Credits and Payments, or you didn't attach it to your tax return.
527	We changed the amount claimed as qualified plug-in electric drive motor vehicle credit on Form 3800, General Business Credit. You figured the credit incorrectly or transferred it incorrectly from Form 8936, Clean Vehicle Credit, to Part III of Form 3800.
540	We can't allow your EIC. Information reported shows that you don't qualify for it. (Form 1040/Form 1040-NR)
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence. (Form 1040/Form 1040-NR)
582	No reply. Disallowed the amount you reported as Federal Income Tax withheld. (Form 1040)
585	No reply - Schedule EIC (Form 1040)

TPNC	Literal
590	No reply. We can't allow the excess SST or RRTA Tax Withheld.
592	We didn't allow the amount claimed as additional child tax credit on your tax return because Schedule 8812, Additional Child Tax Credit, was incomplete or not attached to your tax return. (PY)
594	Not eligible for HCTC.
595	No reply - Form 2439
596	No reply - Form 4136, Credit for Federal Tax Paid on Fuels.
601	We changed the amount claimed on Schedule 3 as Deferral of tax payments from Schedule H or Schedule SE because the amount cannot exceed maximum amounts of deferred tax payments reported on Schedule H and/or Schedule SE or Schedule H and/or Schedule SE not attached.
649	We changed or reduced the amount claimed as the repayment of the First-Time Homebuyer Credit on your return. (Form 1040)
669	Disallowed all or part of HCTC.
750	We didn't allow part or all of your Earned Income Credit on your tax return. The information provided shows one or more of the qualifying children on Schedule EIC, Earned Income Credit, did not meet the age requirement for the credit. (Form 1040)
751	We didn't allow part or all of your Earned Income Credit on your tax return. The information provided shows one or more of the qualifying children on Schedule EIC, Earned Income Credit, did not meet the relationship requirement for the credit. (Form 1040)
752	We didn't allow part or all of your Earned Income Credit on your tax return. The information provided shows one or more of the qualifying children on Schedule EIC, Earned Income Credit, did not live with you for more than half the year. (Form 1040)
759	We adjusted your tax return because you reported income or withholding from different tax years on your return. We processed your tax return with only the income earned and the tax withheld in the year of the tax return. (Form 1040/ Form 1040-NR)
760	We didn't allow part or all the amount claimed for Earned Income Credit. You didn't provide support for the statutory wages you reported, and we didn't consider those wages in figuring the credit.

TPNC	Literal
767	We changed the amount reported as Additional Medicare Tax Withholding. There was an error computing line 24 of Form 8959, Additional Medicare Tax Withholding or transferring the amount to your tax return.
788	We changed the amount you claimed as net premium tax credit on your tax return because there was an error on Form 8962, Premium Tax Credit.
790	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your filing status is married filing separately.
791	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because your household income is greater than 400 percent of the federal poverty line.
792	We didn't allow the amount claimed as net premium tax credit on line 24 of Form 8962, Premium Tax Credit. You're not eligible to claim the credit because you didn't claim any dependents on your return.
794	We didn't allow the amount you claimed as net premium tax credit on your tax return because Form 8962, Premium Tax Credit, was incomplete or not attached to your tax return.
807	We did not allow the credit(s) you claimed on your tax return. The amount you entered is not an allowable credit. We have adjusted your tax return accordingly.
810	You, your spouse, or one or more of your dependents claimed on your return didn't have an assigned taxpayer identification number by the due date of the tax return. As a result, we disallowed certain credits claimed on your return.
814	We disallowed the amount claimed as earned income credit on your tax return. Our records indicate that we've banned you from claiming earned income credit for two tax years.
815	We disallowed the amount claimed as earned income credit on your tax return. Our records indicate that we've banned you from claiming earned We disallowed the amount claimed as earned income credit on your tax return. Our records indicate that we've banned you from claiming earned income credit for this tax year.
816	We disallowed the amount claimed as earned income credit on your tax return. Our records indicate that we've banned you from claiming earned income credit for ten tax years.

TPNC	Literal
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
331	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld on your tax Form. (Form 1040-SS)
332	We didn't allow the amount claimed as additional child tax credit because supporting documents were not attached to your tax return. (Form 1040-SS)
341	We changed the amount claimed as credit as on Form 8689, because it can't be more than the total tax due on your Form 1040.
345	We didn't allow the amount claimed as excess Social Security tax or tier 1 RRTA withheld on line 8 of your Form 1040-SS because Form(s) W-2PR, 499-R was not attached to your tax return. (Form 1040-SS)
346	We changed the amount claimed as total payments on your Form 1040-SS because there was an error in the addition of the payments section on your tax return. (Form 1040-SS)
355	We changed the amount reported as Additional Medicare Tax, Form 8959 on page 2 of your tax return. There was an error computing Part V, line 24 Form 8959, Additional Medicare Tax. (Form 1040-NR/PR/SS)
356	We changed the amount reported as Additional Medicare Tax, Form 8959 on page 2 of your tax return. There was an error transferring the amount from line 18 of your Form 8959 to your tax return. (Form 1040-NR/PR/SS)
357	An error was made transferring from line 24, Form 8959, to your tax return.(Form 1040-NR/PR/SS)
359	We changed the amount of total tax on line 6 of your Form 1040-SS (sp). <ul style="list-style-type: none"> Corregimos la cantidad total de la contribución en la Línea 6 de su Forma 1040-SS (sp), porque sumando la Línea 3 hasta la 5 hubo un error. (1040-SS (sp))
361	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld. <ul style="list-style-type: none"> Corregimos la cantidad reclamada de la retención en exceso de la contribución del seguro social o lo dispuesto en la retención del RRTA 1, en la página 1 de su planilla de contribución debido a un error del cómputo.

TPNC	Literal
362	<p>We didn't allow the additional child tax credit because Form(s) 499R-2, W-2PR or other supporting documents were not attached.</p> <ul style="list-style-type: none"> No le concedimos la cantidad reclamada como crédito contributivo adicional por hijo porque la/las Forma(s) 499R-2, W-2PR u otros comprobantes no fueron incluidos en su planilla de contribución.
369	<p>We didn't allow part or all of your additional child tax credit. One or more of your children exceeds the age limitation.</p> <ul style="list-style-type: none"> No le concedimos parte o todos sus créditos contributivos adicionales por hijo en la página 1 de su planilla de contribución. Uno o más de sus hijos excede la limitación de edad.
374	<p>We changed the refund or amount you owe based on the information you provided to our previous correspondence.</p> <ul style="list-style-type: none"> Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior.
375	<p>We didn't allow the amount claimed as excess Social Security tax or tier 1 RRTA on your tax return because Form(s) W-2 was not attached to your tax return.</p> <ul style="list-style-type: none"> No le concedimos la cantidad reclamada de la retención del exceso de la contribución del seguro social ó lo dispuesto en la retención del RRTA 1 en la Línea 8 de su Forma 1040-SS (sp), porque la/las Formas 499R-2/W-2PR no fueron incluidas a su planilla contributiva. (Form 1040-SS (sp))
376	<p>We changed the amount claimed as total payments on your tax return there was an error in the addition of the payments section on your tax return.</p> <ul style="list-style-type: none"> Corregimos la cantidad reclamada como pagos totales en su planilla contributiva porque hubo un error en la sección de la suma de los pagos. (Form 1040-SS (sp))

TPNC	Literal
377	<p>Information provided to the IRS indicates that you are not eligible to claim the Health Coverage Tax Credit.</p> <ul style="list-style-type: none"> La información proveída al IRS indica que usted no es elegible para reclamar el Crédito Contributivo de Cobertura de Salud. La elegibilidad se determina a través de su agencia estatal laboral, el Departamento del Trabajo (DOL), ó la Corporación de Garantía de Beneficios Jubilatorios (PBGC). Sólo estas organizaciones pueden determinar su potencial de elegibilidad. Para determinar la elegibilidad, la ayuda para los Ajustes Comerciales (TAA) y la Alternativa de Ayuda para los Ajustes Comerciales (ATAA), los recipientes pueden llamar al DOL al 1-877-US2JOBS (TTY 1-877-889-5627). Los recipientes de PBGC deben llamar al 1-800-400-7242. (Form 1040-SS (sp))
378	<p>For tax year 2014, Form 8885, Health Coverage Tax Credit, must be submitted by amending your Form 1040-SS. We are removing Form 8885 and the amount from your return. We are returning the form to you and any supporting documentation you submitted. To claim the credit, submit an amended Form 1040-SS according to the form instructions. Include Form 8885 and the supporting documentation you submitted. Form 1040-SS and instructions can be obtained by visiting www.irs.gov or call 800-TAX-FORM (800-829-3676).</p> <p>Para el año contributivo 2014, el Formulario 8885, Health Coverage Tax Credit (Crédito contributivo por la cobertura de salud)", debe presentarlo enmendando su Formulario 1040-PR. Estamos eliminando el Formulario 8885 y la cantidad de su planilla. Le estamos devolviendo el formulario y toda la documentación de apoyo que envió. Para reclamar el crédito, presente un Formulario 1040-PR enmendado, de acuerdo a las instrucciones del formulario. Incluya el Formulario 8885 y la documentación de apoyo que envió. Las instrucciones del Formulario 1040-PR pueden obtenerse visitando www.irs.gov/espanol o llame al 800-TAX-FORM (800-829-3676).</p>
399	<p>We changed the amount claimed on line 11, Part I as Deferral of tax payments because the amount cannot exceed the maximum amount of deferred tax payments reported on line 8d, Schedule H and/or line 9, Part VII of Form 1040-SS. (Form 1040-SS)</p> <ul style="list-style-type: none"> Cambiamos la cantidad reclamada en la línea 11, Parte I, como aplazamiento de los pagos de contribuciones porque la cantidad no puede exceder la cantidad máxima de los pagos de contribuciones diferidas declaradas en la línea 8d, Anexo H y/o la línea 9, Parte VII del Formulario 1040-PR. (Form 1040-SS (sp))

TPNC	Literal
404	Based on the information you reported, it appears that you didn't include capital gains from Form 8288-A. We have adjusted your return accordingly.
430	We didn't allow the amount you reported as tax withheld because Form(s) W-2, 1042-S, 1099 or other supporting document were not attached to your tax return as required. (Form 1040-NR)
432	We didn't allow the amount you reported for Income Tax Withheld At Source because Form 1042-S which is used to verify the amount was not attached to your tax return as required. (Form 1040-NR)
433	We didn't allow the amount withheld by a "Partnership Under Section 1446." You didn't attach Form 8805 and or 1042-S. (Form 1040-NR)
434	We have no record of the payment shown on Form 8288-A. We have adjusted your return accordingly. (Form 1040 and Form 1040-NR)
435	We didn't allow the amount you reported as "U.S. Tax Withheld on Disposition of U.S. Real Property Interest" Form(s) 8288-A and/or 1042-S was not attached to your tax return as required. (Form 1040-NR)
436	We changed the amount claimed as credit on your Form 8288-A. Our records indicate that the amount of your Form 8288-A credit is less than you claimed. (Form 1040-NR)
438	We didn't allow the foreign Withholding claimed on your return. (Form 1040/Form NR)
441	We didn't allow your Form 8805 or Form 1042-S credit because the Social Security number shown on your Form 1040-NR and the credit document do not match. (Form 1040-NR)
442	You did not reply to our request for a copy of your green card and signed declaration. We have adjusted your return accordingly.
443	You are not entitled to a refund of tax withheld on U.S. social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85 percent of your social security benefits are taxed at 30 percent. We have adjusted your return accordingly. (Form 1040-NR)

TPNC	Literal
478	<p>We didn't allow the amount claimed for the American Opportunity Tax Credit on your Form 1040-SS, U.S. Self-Employment Tax Return. We're returning any supporting documentation you submitted. Bona fide residents of Puerto Rico receive the refundable part of this credit from the Puerto Rico Treasury Department by filing a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501.</p> <p>No permitimos la cantidad reclamada para el Crédito Contributivo de Oportunidad para los Estadounidenses en su Formulario 1040-SS (sp), Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia. Estamos devolviendo toda la documentación de apoyo que usted envió. Los residentes bona fide de Puerto Rico reciben la parte reintegrable de este crédito del Departamento del Tesoro de Puerto Rico, al radicar la planilla con el Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501.</p>

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.265
(03-12-2025)

**Error Code 369 - 1
percent Refund/Total Tax**

- (1) EC 368 generates when Total Tax Liability is inconsistent with other data. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 369* for invalid conditions.
- (2) Refer to both IRM 3.12.3, and IRM 3.22.3 for correction procedures and allowable TPNCs. #
- (3) If the taxpayer has an amount written in on line 6 Form 1040-SS refer to IRM 3.22.3.247.7 EC 334.

3.22.3.265.1
(01-01-2026)

**Fields Displayed - EC
369**

- (1) The following fields are displayed for EC 369.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC		Filing Status Code
01EXC		Exemption Code
94EXV		Exemption Code Verified
03DSI		Dependent Status Indicator
0403		Combined Schedule C Profit/Loss
>>>>		Combined Schedule C Profit/Loss Computer
03CGL		Schedule D Profit/Loss

1040-NR	1040-SS (sp)/1040-SS	Field Title
>>>>		Schedule D Profit/Loss Computer
0405		Schedule E Profit/Loss
>>>>		Schedule E Profit/Loss Computer
0406		Combined Schedule F Profit/Loss
>>>>		Combined Schedule F Profit/Loss Computer
03AGI		Adjusted Gross Income
>>>>		Adjusted Gross Income Computer
03INC		Taxable Income
>>>>		Taxable Income Computer
94INV		Taxable Income Verified
03TTX		Tentative Tax
>>>>>		Tentative Tax Computer
05USS		Unpaid Tax on TIPS SST
05TAT		Total Additional Taxes
03GTT		Transportation Tax
03OTX		Total Other Taxes
>>>>>		Total Other Taxes Computer
03TAX	03TAX	Total Tax IMF
>>>>		Total Tax IMF Computer
03WH		Withholding from Form(s) W-2 or 1099
0325E		Withholding from Form(s) 8805
0325F		Withholding from Form(s) 8288-A
0325G		Withholding from Form(s) 1042-S
03CEL		Estimated Tax Credit Elect
03BDR	03BDR	Balance Due/Refund
>>>>	>>>>	Balance Due/Overpayment Computer
03BDR>	03BDR>	Balance Due/Refund Taxpayer Computer

3.22.3.266
(11-08-2021)

**Error Code 370/670 -
Balance Due/Refund**

- (1) EC 370 generates when Balance Due/Overpayment is not equal to Balance Due/Overpayment Computer and a math error is present.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 370*, for invalid conditions and refer to both IRM 3.12.3 and IRM 3.22.3 for correction procedures and allowable TPNCs.

3.22.3.266.1
(01-01-2025)

**Fields Displayed - EC
370**

- (1) The following fields are displayed for EC 370.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC		Filing Status Code
01TXP		Tax Period
01CCC	01CCC	Computer Condition Code
03PT	03PT	Preparer's TIN
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax Liability Computer
03WH		Withholding from Form(s) W-2 or 1099
0325E		Withholding from Form(s) 8805
0325F		Withholding from Form(s) 8288-A
0325G		Withholding from Form(s) 1042-S
03ESP		Estimated Tax Payments
	05ESS	Excess Social Security
03ACT	03ACT	Additional Child Tax Credit
03RAC		Refundable Adoption Credit
03RAC>		Refundable Adoption Credit Computer
05PTC		Taxpayer Reconciled Premium Tax Credit Amount
05PTC>		Taxpayer Reconciled Premium Tax Credit Amount Computer
05EXT		Form 4868 Credit
05ESS		Excess Social Security
05FUE		F4136 Fuel Tax Credit
>>>>		F4136 Fuel Tax Credit Computer
05RIC		Form 2439 Regulated Investment Company Credit
0329		Form 1040C Credit

1040-NR	1040-SS (sp)/1040-SS	Field Title
05OTH	05OTH	Other Payment or Credit Amount (ERS only)
05TYP	05TYP	Payment or Credit Type Code(ERS only)
05OPR		Total Other Payments and Refund- able Credits
03PAY	03PAY	Total Payments
>>>>	>>>>	Total Payments Computer
03CEL	03CEL	Estimated Tax Credit Elect
03BDR	03BDR	Balance Due/Refund
>>>>	>>>>	Balance Due/Overpayment Computer
03BDR>	03BDR>	Balance Due/Overpayment Taxpayer Computer
03ETP		Estimated Tax Penalty

Note: The fields displayed for EC 670 will include a Clear Code field and 02NC> and all other fields will be the same as EC 370.

3.22.3.266.2
(01-01-2024)

**Correction Procedures -
EC 370 Form 1040-SS
(sp) and Form 1040-SS**

(1) This subsection includes instructions for the following:

- a. Balance Due Overpayment
- b. Balance Due Refund

3.22.3.266.2.1
(11-27-2020)

**Field 03BDR> - Balance
Due Overpayment
Taxpayer Computer**

(1) Correct coding and transcription errors and misplaced entries in displayed fields when the underprint for Field 03BDR> differs from the taxpayer's amount.

- a. To arrive at 03BDR>, the computer adds Field 03BDR to Field 03CEL.
- b. To arrive at the underprint for Field 03BDR> the computer subtracts Total Payments Computer from Total Tax Computer and adds Pre-determined ES Tax Penalty.

(2) Adjust the entry in Field 03BDR by subtracting the appropriate amount from the overpaid amount when the taxpayer computed the overpaid amount (line 13) correctly, but failed to reduce the amount by either the Credit Election Amount or the Estimated Tax Penalty.

(3) If the taxpayer made a math error, verify that the full amount of Credit Election Amount which the taxpayer intended is shown in the Credit Election Amount (Field 03CEL).

(4) Refer to the following table if the Refund line and the Credit Election Amount (Field 03CEL) have identical amounts:

If	Then
Estimated Tax Payments (Field 03ESP) are not claimed,	Delete the Credit Election Amount (Field 03CEL).
Estimated Tax Payments (Field 03ESP) are claimed,	Delete the Balance Due/Refund (03BDR) amount.
The title of the Credit Election Amount (Field 03CEL) line has been altered by the taxpayer (i.e., the taxpayer indicates that part or all of the refund should be applied to a previous tax balance),	Ignore the change and enter the entire overpayment into Field 03BDR.

3.22.3.266.2.2

(01-01-2024)

Field 03BDR - Balance Due/Refund

- (1) Compute the Balance Due/Refund amount and enter the amount with the appropriate sign (you must enter (-) if the result is negative) when all the following conditions apply:
 - a. Refund line 14a (TY19, line 13a) and Amount You Owe line 16 (TY19, line 15) are blank and
 - b. Taxpayer has an entry in Total Tax (line 6) and
 - c. Code & Edit did not compute
- (2) Verify that Field 03BDR reflects the taxpayer's amount for Balance Due/Refund.
- (3) If the taxpayer included penalties (other than ES Penalty) and/or interest in Field 03BDR, and includes the amount in the Balance Due/Refund, then subtract that amount from Field 03BDR.
- (4) If the taxpayer entered their balance due amount on the refund line (or vice
- (5) If none of the preceding procedures resolve the math error condition for:
 - a. Form 1040-SS (sp) - assign TPNC 489.
 - b. Form 1040-SS - assign TPNC 474.

#

3.22.3.266.3

(01-01-2024)

Allowable Taxpayer Notice Codes - EC 370

- (1) Use the followings TPNCs for EC 370.

TPNC	Literal
	Any previously assigned TPNC
100	
114	You didn't include all the income shown on your Form(s) W-2, W-2G, etc., in the income section.
115	We adjusted total income to include tips from Form 4137.

TPNC	Literal
141	We found an error in the computation of the total income on page 1 of your tax return. (Form 1040/Form 1040-NR)
205	Your SSN or name does not match the records provided by the Social Security Administration. As a result, we did not allow your personal exemption. (Form 1040/Form 1040-NR)
208	We changed the amount of taxable income on your return because there was an error in the subtraction of your exemption or combined standard deduction/exemption amount. (Form 1040)
209	We changed the amount of tax shown on your return. The amount entered was incorrect based on your taxable income and filing status. (Form 1040/Form 1040-NR)
211	We changed the amount of tax shown on your return. The tax rates on Qualified Dividends and Capital Gains are generally lower than the standard rates. It appears your tax was not computed using these rates or the amount of tax was computed incorrectly. (Form 1040/Form 1040-NR)
217	Based on our computation of your taxable income, you don't owe any tax. (Form 1040/Form 1040-NR)
218	We computed your tax for you. (Form 1040/Form 1040-SS)
233	We didn't allow the amount claimed as credit for child and dependent care expenses on your tax return. To qualify for this credit, earned income must be reported on line 4 (lines 4 and 5 if married filing jointly) of Form 2441, Child and Dependent Care Expenses.
246	Disallowed all or part of your Retirement Savings Contribution Credit. The credit is not allowed if you are not at least 18 years of age at the end of the tax year. (Form 1040/Form 1040-NR)
247	Computed or transferred Form 8880 incorrectly. (Form 1040/Form 1040-NR)
252	You incorrectly figured your child tax credit. (Form 1040/Form 1040-NR)
273	We reduced or removed the total self-employment tax on your tax return. Your net earnings were less than \$400; therefore, they are not subject to self-employment tax.
283	We adjusted your federal income tax withheld to reflect the amounts shown on Form(s) W-2 or other supporting documents. (Form 1040/Form 1040-NR)
294	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld. (Form 1040/Form 1040-NR)

TPNC	Literal
297	We found an error in the addition of the payments section on your tax return. (Form 1040/Form 1040-NR)
299	We found an error in the computation of your refund amount or the amount you owe.
302	You must figure your tax using the Foreign Earned Income Tax Worksheet. It appears your tax was not computed using this worksheet or was computed incorrectly. We have changed your tax return accordingly.
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR.
329	We changed the amount of total tax on line 6 of your Form 1040-SS because there was an error adding Lines 3 through 5. (1040-SS)
331	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld on page 1 of your tax return due to a computation error.
332	We didn't allow the amount claimed for additional child tax credit 499R-2, W-2PR or other supporting documents were not attached to your tax return. (Form 1040-SS)
341	We changed the amount claimed as credit on Form 8689, it can't be more than the total tax due on your Form 1040.
343	We didn't allow your earned income tax credit because you excluded income under Section 931, Section 933, or Form 4563 or you did not maintain a home in the United States for 6 months or more. (Form 1040)
345	We didn't allow the amount claimed as excess social security tax or tier 1 RRTA withheld on line 8 of your Form 1040-SS because Form(s) W-2PR, 499R was not attached to your tax return. (1040-SS)
346	We changed the amount claimed as total payments on line 11 of our Form 1040-SS because there was an error in the addition of the payments section on your tax return. (Form 1040-SS)
355	We changed the amount reported as Additional Medicare Tax, Form 8959 on page 2 of your tax return. There was an error computing Part V, line 24 Form 8959, Additional Medicare Tax. (Form 1040-NR/Form 1040-SS (sp)/SS)
356	We changed the amount reported as Additional Medicare Tax, Form 8959 on page 2 of your tax return. There was an error transferring the amount from line 18 of your Form 8959 to page 2 of your tax return. (Form 1040-NR/Form 1040-SS (sp)/SS)
357	An error was made transferring from line 24, Form 8959, to your tax return.(Form 1040-NR/Form 1040-SS (sp)/SS)

TPNC	Literal
359	We changed the amount of total tax on line 6 of your Form 1040-SS (sp). Corregimos la cantidad total de la contribución en la Línea 6 de su Forma 1040-SS (sp), porque sumando la Línea 3 hasta la 5 hubo un error. (1040-SS (sp))
361	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA <ul style="list-style-type: none"> Corregimos la cantidad reclamada de la retención en exceso de la contribución del seguro social o lo dispuesto en la retención del RRTA 1, en la página 1 de su planilla de contribución debido a un error del cómputo. (1040-SS (sp))
362	We didn't allow the amount claimed as additional child tax credit. <ul style="list-style-type: none"> No le concedimos la cantidad reclamada como crédito contributivo adicional por hijo porque la/las Forma(s) 499R-2, W-2PR u otros comprobantes no fueron incluídos en su planilla de contribución. (Form 1040-SS (sp))
374	We changed the refund or amount you owe based on the information you provided in response to our previous correspondence. <ul style="list-style-type: none"> Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior. (Form 1040-SS (sp))
375	We didn't allow the amount claimed as excess social security tax or tier 1 RRTA withheld. <ul style="list-style-type: none"> No le concedimos la cantidad reclamada de la retención del exceso de la contribución del seguro social ó lo dispuesto en la retención del RRTA 1 en la Línea 7 de su Forma 1040-SS (sp), porque la/las Formas 499R-2/W-2PR no fueron incluídas a su planilla contributiva. (Form 1040-SS (sp))
376	We changed the amount claimed as total payments on your tax return because there was an error in the addition of the payments section. <ul style="list-style-type: none"> Corregimos la cantidad reclamada como pagos totales en su planilla contributiva porque hubo un error en la sección de la suma de los pagos. (Form 1040-SS (sp))

TPNC	Literal
377	<p>Information provided to the IRS indicates that you are not eligible to claim the Health Coverage Tax Credit.</p> <ul style="list-style-type: none"> La información proveída al IRS indica que usted no es elegible para reclamar el Crédito Contributivo de Cobertura de Salud. La elegibilidad se determina a través de su agencia estatal laboral, el Departamento del Trabajo (DOL), ó la Corporación de Garantía de Beneficios Jubilatorios (PBGC). Sólo estas organizaciones pueden determinar su potencial de elegibilidad. Para determinar la elegibilidad, la ayuda para los Ajustes Comerciales (TAA) y la Alternativa de Ayuda para los Ajustes Comerciales (ATAA), los recipientes pueden llamar al DOL al 1-877-US2JOBS (TTY 1-877-889-5627). Los recipientes de PBGC deben llamar al 1-800-400-7242. (Form 1040-SS (sp))
406	Disallowed treaty exemption claim because you didn't reply with more information. (Form 1040-NR)
409	Disallowed invalid tax treaty claim. (Form 1040-NR)
418	You aren't entitled to the standard deduction when you file Form 1040-NR. We changed your return accordingly.
430	We can't allow the amount you reported as tax withheld. You didn't attach Form(s) W-2, 1042-S, 1099 or other supporting documents as required. We have changed your tax return accordingly. (Form 1040-NR)
432	We can't allow the amount you reported for Income Tax Withheld At Source. You didn't attach Form 1042-S to verify the amount as required. We have changed your tax return accordingly. (Form 1040-NR)
433	We didn't allow the amount withheld by a "Partnership Under Section 1446". You didn't attach Form 8805. (Form 1040-NR)
434	We have no record of the payment shown on Form 8288-A. We have adjusted your return accordingly. (Form 1040 and Form 1040-NR)
435	We can't allow the amount you reported as "U.S. Tax Withheld on Dispositions of U.S. Real Property Interests". You didn't attach Form(s) 8288-A and/or 1042-S to verify the amount as required. We have changed your tax return accordingly. (Form 1040-NR)
436	Our records indicate that the amount of your Form 8288-A credit is less than you claimed. We have adjusted your return accordingly. (Form 1040-NR)
438	We didn't allow the foreign Withholding claimed on your return. (Form 1040-NR)

TPNC	Literal
441	We can't allow your Form 8805 or Form 1042-S credit because the Social Security number shown on your Form 1040-NR and the credit document do not match. We have adjusted your return accordingly. (Form 1040-NR)
442	You did not reply to our request for a copy of your green card and signed declaration.
443	You are not entitled to a refund of tax withheld on U.S. social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85% of your social security benefits are taxed at 30%. We have adjusted your return accordingly. (Form 1040-NR)
449	We changed the amount of taxable income on your tax return because the exemption amount was subtracted incorrectly. (Form 1040-NR)
457	We changed your total exemption amount because there was an error in the computation of your total exemption amount.
458	You did not claim the exemption amount for yourself. We allowed your personal exemption on your return.
472	You don't owe self-employment tax when your net earnings from self-employment are less than \$434, as shown on Form 1040-SS.
473	You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS.
474	You figured your refund or the amount you owe incorrectly on Form 1040-SS.
485	You don't qualify to use the optional method on Form 1040-SS (sp). <ul style="list-style-type: none"> • Usted no califica para usar el metodo opcional en la Forma 1040-SS (sp).
486	You didn't multiply your self-employment earnings by .9235, as shown on Form 1040-SS (sp). We changed your self-employment tax accordingly. <ul style="list-style-type: none"> • Usted no multiplicó sus ganancias del trabajo por cuenta propia por .9235, como esta mostrado en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia.
487	You don't owe self-employment tax when your net earnings from self-employment are less than \$434. <ul style="list-style-type: none"> • Usted no debe contribución sobre el trabajo por cuenta propia cuando sus ganancias netas del trabajo por cuenta propia son menores de \$434, como esta mostrado en la Forma 1040-SS (sp).

TPNC	Literal
488	You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS (sp). <ul style="list-style-type: none"> Usted calculó o transfirió incorrectamente la contribución sobre el trabajo por cuenta propia. Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia. (1040-SS (sp))
489	You figured your refund or the amount you owe incorrectly on Form 1040-SS (sp). <ul style="list-style-type: none"> Usted calculó incorrectamente su reintegro o la cantidad que usted adeuda en el Formulario 1040-SS (sp). (1040-SS (sp)).
494	We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount. We have adjusted your return accordingly.
504	We changed the total other payments and refundable credits you claimed because you either didn't complete Schedule 3, Additional Credits and Payments, or you didn't attach it to your tax return.
507	We didn't allow the amount claimed as other payments on page 2 of your tax return because no form was submitted to substantiate the amount.
558	We changed the refund amount or the amount you owe on your tax return based on the information you provided in response to our previous correspondence.
582	We didn't allow the amount claimed as federal income tax withheld on your tax return because Form(s) W-2 or other supporting documents were not attached to your tax return. (Form 1040)
590	We didn't allow the amount claimed as excess social security tax and tier 1 tax withheld on your tax return because your Forms W-2 were not attached to your tax return.

Note: The above literals are abbreviated. Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, Taxpayer Notice Codes* for complete literal for Domestic TPNCs, see Exhibit 3.22.3-9 for complete literal for International TPNCs.

3.22.3.267
(11-08-2021)
**Error Code 372 -
\$1,000,000 or More
Refund**

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 372*, for invalid conditions, correction procedures and allowable TPNCs.

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3.22.3.267.1
(11-08-2021)
Fields Displayed - EC 372

- (1) The following fields are displayed for EC 372.

3.22.3.268
(11-08-2021)
Error Code 374 - Pre-Determined ES Penalty

- (1) EC 374 generates when Estimated Tax Penalty is significant and is inconsistent with other data.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 374* for invalid conditions, correction procedures and allowable TPNCs.

3.22.3.268.1
(01-01-2024)
Fields Displayed - EC 374

- (1) The following fields are displayed for EC 374.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01CCC		Computer Condition Code
03PT	03PT	Preparer's TIN
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
03WH		Withholding from Form(s) W-2 or 1099
0325E		Withholding from Form(s) 8805
0325F		Withholding from Form(s) 8288-A
0325G		Withholding from Form(s) 1042-S
03ESP	03ESP	Estimated Tax Credit
03ETP		Estimated Tax Penalty
03PC	03PC	Preparer's Code

3.22.3.269
(11-08-2021)
Error Code 380 Self-Employment Income and EIC

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 380* for screen display, invalid conditions, correction procedures and allowable TPNCs.

3.22.3.270
(02-03-2012)
Difference in Adjusted Gross Income (AGI)

- (1) EC 531 generates when Doc. Code is not 07, 08, 09, 10, 26, 27, 28 or 72, and **all** the following exist:
- a. A math error is **not present**
 - b. The return is a "computed" return
 - d. Tentative Tax Computer is not significant.

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e. Other Income Amount is present.

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 531* for correction procedures.

3.22.3.270.1
(01-01-2025)

Fields Displayed - EC 531

- (1) The following fields are displayed for EC 531.

1040-NR	Field Title
CL	Clear Code
01FSC	Filing Status Code
01TXP	Tax Period
01RPC	Return Processing Code
01CCC	Computer Condition Code
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
03TWG	Total Wages Amount
03INT	Taxable Interest
03TEI	Tax Exempt Interest
03DIV	Ordinary Dividends
03QD	Qualified Dividends
0401	State Income Tax Refund
04SFG	Scholarship or Fellowship Grant
0403	Combined Schedule C Profit/Loss
>>>>	Combined Schedule C Profit/Loss Computer
03CGL	Schedule D Profit/Loss
>>>>	Schedule D Profit/Loss Computer
0404	Supplemental Gains/Losses
03GIR	Gross IRA Distribution
03TIR	Taxable IRA Distribution
03GPA	Gross Pensions and Annuities
03TPA	Taxable Pensions and Annuities
0405	Schedule E Profit/Loss
>>>>	Schedule E Profit/Loss Computer
0406	Combined Schedule F Profit/Loss
>>>>	Combined Schedule F Profit/Loss Computer
0407	Taxable Unemployment Compensation

1040-NR	Field Title
04OTI	Other Income Amount
03TEX	Treaty Exempt Income
03TOT	Total Income
>>>>	Total Income Computer
04EDU	Educator Expenses
>>>>	Educator Expenses Computer
04HSA	Health Savings Account Deduction
>>>>	Health Savings Account Deduction Computer
04MOV	Moving Expenses
04DSE	Deduction for Self-Employment Tax
>>>>	Deduction for Self-Employment Tax Computer
04SEP	SE Retirement Plans Deduction
04HID	Self Employed Health Insurance Deduction
04PEW	Penalty on Savings Withdrawal
04IRA	IRA Deduction
>>>>	IRA Deduction Computer
04SLI	Student Loan Interest Deduction
>>>>	Student Loan Interest Deduction Computer
04MSA	Archer MSA Deduction
>>>>	Archer MSA Deduction Computer
04ADJ	Other Adjustments
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer

3.22.3.271
(01-01-2015)

Error Code 601 - RPC J

- (1) EC 601 generates when Document Code is not 26, 27, or 72, Return Processing Code is not "J" or "Y" and it's inconsistent with other data.

3.22.3.271.1
(01-01-2025)

Fields Displayed - EC 601

- (1) The following fields are displayed for EC 601.

1040-NR	Field Title
01RPC	Return Processing Code

1040-NR	Field Title
03AGI	Adjusted Gross Income
>>>>	Adjusted Gross Income Computer
03INC	Taxable Income
>>>>	Taxable Income Computer
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
05202	Alternative Minimum Tax
>>>>	Alternative Minimum Tax Computer
03TAC>	Income Tax After Credit Computer
05204	Combined SE Tax
>>>>	Combined SE Tax Computer
05SSM	Unreported Social Security and Medicare Tax for Form 4137 and Form 8919
>>>>	Unreported Social Security and Medicare Tax for Form 4137 and Form 8919 Computer
05IRA	Combined Tax on Retirement Plans
05IRA>	Combined Tax on SST Retirement Plans Computer
05HSH	Household Employment Tax Amount
>>>>	Household Employment Tax Amount Computer
05FHB	First Time Home Buyer Repayment from Form 5405
>>>>	Combined First Time Homebuyer Credit Repayment Computer
58FRC>	Section 58 Homebuyer Credit Repayment Computer Form 8611 Recapture (ERS only)
05LIR	Form 8611 Recapture (ERS only)
05USS	Unpaid SST Tax on Tips
7118>	Form 8959 Additional Medicare Tax Amount Computer
7217>	Form 8960 Net Investment Income Tax Computer
05TAT	Total Additional Taxes
03OTX	Total Other Taxes
>>>>>	Total Other Taxes Computer
03TAX	Total Tax IMF
>>>>	Total Tax IMF Computer

1040-NR	Field Title
94TXV	Total Tax Verified

3.22.3.271.2
(01-01-2015)
Invalid Condition - EC 601

- (1) EC 601 generates when:
- Doc. Code is not 26, 27, or 72,
 - RPC is not "J" or "Y",
 - Tax on Income Not Effectively Connected is not significant and
 - Either Combined SE Tax Computer is not significant or is not equal to Total Tax Computer or
 - Tentative Tax Computer is significant and RPC "J" is not present and
 - Total Tax exceeds 50 percent of Adjusted Gross Income

3.22.3.271.3
(01-01-2015)
Correction Procedures - EC 601

- (1) Correct coding, transcription and misplaced entries on fields displayed.
- (2) If no other correction, enter RPC "J" in Field 01RPC.
- (3) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 601* for screen display and invalid conditions.

3.22.3.272
(06-13-2017)
Error Code 702

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 702* for screen display and invalid conditions.
- (2) Delete entries if present in fields displayed.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.273
(06-13-2017)
Error Code 704 - Unallowable Amount with No Code

- (1) EC 704 generates when the unallowable code is other than 20 and the unallowable amount is not significant.
- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 704* for invalid conditions.
- (3) Delete entries if present in fields displayed.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.273.1
(01-01-2026)
Fields Displayed - EC 704

1040-NR	Field Title
88CD1	Unallowable Code 1
88AM1	Unallowable Amount 1
88CD2	Unallowable Code 2
88AM2	Unallowable Amount 2
88CD3	Unallowable Code 3
88AM3	Unallowable Amount 3

1040-NR	Field Title
88AGI	Unallowable Adjusted Gross Income
88ITM	Unallowable Itemized Deductions
88NI	Unallowable Net Income
88TXA	Unallowable Tax Adjustment
94UTV	Unallowable Tax Verified
88TX>	Total Tax on Unallowable Computer

3.22.3.274
(06-08-2017)

**Error Code 706 -
Unallowable Codes 92 to
99 (Except UA 95)**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 706* for screen display and invalid conditions.

- (2) Delete entries if present in fields displayed.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.275
(01-01-2026)

**Error Code 708 -
Unallowable Codes 30 to
49 Schedule A**

- (1) EC 708 generates when the unallowable code is 30 through 49 and Total Itemized Deduction Computer is not significant.

- (2) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 708* for invalid conditions.

- (3) Delete entries if present in Section 88 fields that are displayed.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.275.1
(01-01-2026)

**Fields Displayed - EC
708**

- (1) The following fields are displayed for EC 708.

1040-NR	Field Title
88CD1	Unallowable Code 1
88AM1	Unallowable Amount 1
88CD2	Unallowable Code 2
88AM2	Unallowable Amount 2
88CD3	Unallowable Code 3
88AM3	Unallowable Amount 3
88AGI	Unallowable Adjusted Gross Income
88ITM	Unallowable Itemized Deductions
88NI	Unallowable Net Income
88TXA	Unallowable Tax Adjustment
94UTV	Unallowable Tax Verified
88TX>	Total Tax on Unallowable Computer

1040-NR	Field Title
S07NP	Section 07 Not Present
	State and Local Income Taxes
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer

3.22.3.276
(01-01-2026)

Error Code 712 -

Unallowable Tax Verified Missing

- (1) EC 712 generates when an unallowable code is present or Form 4563 Indicator is significant with FLC 21 and more than one exemption.
- (2) Delete entries if present in Section 88 fields that are displayed. Don't delete the "1" in Field 8808 if Form 4563 is present.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.276.1
(01-01-2026)

Fields Displayed - EC 712

- (1) The following fields are displayed for EC 712.

1040-NR	Field Title
01FSC	Filing Status Code
01EXC	Exemption Code
88CD1	Unallowable Code 1
88AM1	Unallowable Amount 1
88CD2	Unallowable Code 2
88AM2	Unallowable Amount 2
88CD3	Unallowable Code 3
88AM3	Unallowable Amount 3
88AGI	Unallowable Adjusted Gross Income
88ITM	Unallowable Itemized Deductions
88NI	Unallowable Net Income
88TXA	Unallowable Tax Adjustment
94UTV	Unallowable Tax Verified
88TX>	Total Tax on Unallowable Computer
03TOT	Total Income
>>>>	Total Income Computer
03TAJ	Total Adjustments
>>>>	Total Adjustments Computer
03AGI	Adjusted Gross Income

1040-NR	Field Title
>>>>	Adjusted Gross Income Computer
03INC	Taxable Income Amount
>>>>	Taxable Income Amount Computer
03TTX	Tentative Tax
>>>>	Tentative Tax Computer
94TTV	Tentative Tax Verified
05SSM	Combined Unreported Tips/Social Security Tax
>>>>	Combined Unreported Tips/Social Security Tax Computer
03TAX	Total Tax IMF
	Total Tax IMF Computer
94TXV	Total Tax Verified
	State and Local Income Taxes
0708	Total Itemized Deductions
>>>>	Total Itemized Deductions Computer

3.22.3.277
(01-01-2026)

**Error Code 714 -
Unallowable Tax Verified**

- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 714* for screen display and invalid conditions.
- (2) Delete entries if present in Section 88 fields that are displayed. Don't delete the "1" in Field 8808 if Form 4563 is present.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.278
(01-01-2026)

**Error Code 716 -
Unallowable Tax Verified**

- (1) EC 716 generates when Unallowable Tax verified is significant and none of the following are significant:
 - a. Tentative Tax Verified
 - b. Total Tax Verified
 - c. Credit for the Elderly Verified

Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 716* for invalid conditions.

- (2) Delete entries if present in Section 88 fields that are displayed. Don't delete the "1" in Field 8808 if Form 4563 is present.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.278.1
(11-08-2021)

**Fields Displayed - EC
716**

- (1) The following fields are displayed for EC 716.

1040-NR	Field Title
94UTV	Unallowable Tax Verified
94TTV	Tentative Tax Verified
94TXV	Total Tax Verified

- 3.22.3.279
(01-01-2026)
Error Code 718 - Unallowable Tax Verified
- (1) Refer to IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, EC 718* for screen display and invalid conditions.
 - (2) GTSEC 88 and delete the unallowable codes and amounts if present. Don't delete the "1" in Field 8808 if Form 4563 is present.

Reminder: Unallowable codes aren't used on international returns.

3.22.3.280
(01-01-2015)
Error Code 750 - ACA

- (2) Refer to IRM 3.12.3, **Error Resolution, Individual Income Tax Returns** for screen display, invalid conditions and correction procedures.

3.22.3.280.1
(01-01-2019)
Correction Procedures - EC 750

- (1) Correct coding and transcription and misplaced entries on display fields.
- (2) GTSEC 02 and enter R in Field 02RI.
- (3) Delete SPC 3 in Field 01SPC.
- (4) If (1), (2), or (3) does not resolve EC 750, SSPND 492 and alert your manager or work leader.

3.22.3.281
(01-01-2026)
International Replies to Correspondence

- (1) Follow the procedures in IRM 3.22.3.7.3.2 if the reply is for correspondence on a return filed using the Streamlined Filing Compliance Procedures.
- (2) The format for Field 88RPD is YYYYMMDD.
- (3) Field 88RPD cannot be later than the current processing date nor earlier than or equal to the Received Date in Field 01RCD.
- (4) The Returns Processed Date (RPD) (Field 88RPD) must be present when **both** of the following exist:
 - a. Return has been held in correspondence suspense *and*,
 - b. A complete reply is received after the due date of the return.

Exception: If the correspondence was issued in error do not enter the return processing date.

- (5) The RPD should **NOT** be present if the complete reply was received prior to

displays the return due dates for international tax returns.

- (6) Correct the screen display as needed with the information received (including address changes). Assign TPNC 558 on all forms except Form 1040-SS (sp) if

the taxpayer has changed any amounts from the original filing and a math error results, otherwise process the return as normal and assign the appropriate TPNCs. Assign TPNC 374 on Form 1040-SS (sp) if the taxpayer has changed any amounts from the original filing.

- (7) **Form 1040-NR Withholding** - If the taxpayer replies to correspondence for support of withholding on Form 1040-NR, follow the instructions in IRM 3.22.3.264.4 that relate to the forms and other documents submitted with the reply. For instance, if withholding was entered by the taxpayer on line 25g (TY19, line 62d), but the taxpayer sends Form 8288-A as support, use the instructions for line 25f (TY19, line 62c) for verifying that credit. After following the instructions, enter the allowable amount in the withholding field for that type of credit before closing the return.

Note: Credits posted on line 25e - g (TY19, lines 62b - d) are assigned unique reference numbers on Master File that identify the type of credit. Posting the credit on the wrong line will incorrectly identify the source of the withholding on Master File.

- (8) Correct Field 88RPD, in the following priority, when the taxpayer's reply date is missing or has been edited incorrectly:

- a. Eefax date on the reply
- b. Date stamped on the reply
- c. Postmark Date on reply envelope
- d. Current Date, minus 10 days

- (9) Use the following table when working correspondence:

If reply	And	Then
Is complete,	No additional information is needed	Enter date stamped on the reply in Field 88RPD.
Is complete,	Additional information was needed (see example 9a) below,	<ol style="list-style-type: none"> 1. Process missing information with No Reply procedures. 2. Enter date stamped on the reply in Field 88RPD.
Is not needed,	correspondence issued in error (See example 10b) below,	Do NOT enter Field 88RPD or CCC U.

Note: Follow instructions for "Action to be Taken" in Exhibit 3.22.3-10.

- (10) Examples associated with the table in the preceding (9):

- a. IRS corresponded for Schedule A, the taxpayer replies with a copy of the Schedule A; however, Form 2441 was also missing and should have been corresponded for, as well. Follow No Reply procedures for the missing Form 2441. Enter, in Field 88RPD the date stamped on the reply in Field 88RPD.
- b. IRS corresponded for Schedule A. However, you found the Schedule A attached to the return. The RPD and CCC U should **NOT** be entered.

3.22.3.282
(01-01-2024)
Second Correspondence

- (1) Treat missing information on a return as a No Reply, **except in the situations listed here**, when contact from any area of Processing has previously been made with the taxpayer, including Form 3531 (greenies), Form 9143 (pink international), or Form 13557. **SSPND 216** to correspond a second time when any of the following exceptions apply and had not been requested during first correspondence:
- Error Code 268, Alternative Minimum Tax Liability
 - EC 358 (Form 1040 and Form 1040-NR) and EC 366 (Form 1040-SS (sp)/SS), Health Coverage Tax Credit (HCTC)
 - Form 5329 when you cannot determine the liable taxpayer.
 - Schedule SE when you cannot determine the liable taxpayer.
 - Form 4137 when you cannot determine the liable taxpayer
 - Form 8919 when you cannot determine the liable taxpayer.
 - Schedule H when you cannot determine the liable taxpayer.
 - Form 8606 when you cannot determine the liable taxpayer.
 - EC 028, or EC 029, appears after Code & Edit has corresponded or ERS has corresponded for "field errors" only.
 - Schedule NEC, Form 1040-NR, missing or incomplete.
 - ACA Error Codes 068, 100, 101, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 270, and 352 after first correspondence and the taxpayer provided a complete reply. Suspend with Action Code 216. Follow the procedures under the error code for the appropriate paragraph(s) to select.

Exception: If the previous correspondence was issued for any ACA Error Code 190 through 199, EC 270 or EC 3524 and another ACA error code displays for the return requesting additional information, do not correspond. Follow No Reply procedures.

Note: Use Form 13900 (*Letter 4087C*) and Form 13975 (*Letter 2894C/SP*) for all international second correspondence instead of Letter 1263C. Include fill-in "K" in paragraph \$ of Form 13900 from Exhibit 3.22.3-12.

- (2) **Do not correspond** again if the information was previously requested and the taxpayer did not furnish the information or furnished an incomplete response. Treat the return as a No Reply and apply procedures for a math error. Refer to Exhibit 3.22.3-10 to determine the correct action to take for No Reply to correspondence when these items were requested during the first correspondence.

3.22.3.283
(01-01-2026)
No Reply/Incomplete Reply/Undeliverables

- (1) If you have a No Reply, Incomplete Reply (meaning the taxpayer's response was incomplete, not the IRS's request being incomplete), or Undeliverable, CCC U must be entered in Field 01CCC.

Note: CCC U suppresses Credit Interest from accruing on the return. When CCC U is entered, do **NOT** enter the RPD (Field 88RPD).

- CCC U should **NOT** be present if the correspondence was issued in error.
- Follow the instructions for "Action To Be Taken", in Exhibit 3.22.3-10.
- If initial correspondence is undeliverable, look for the presence of USPS forwarding label (especially an expired label) and reissue correspondence to the address shown on the label if different from the address on the return.

- (5) If no USPS forwarding label is attached, research IDRS to locate a better (or more current) address.
 - a. If research shows a more current address, reissue correspondence using the address found on IDRS and SSPND 215.
 - b. If research shows the same address and same DLN (no additional DLNs), process the return using No Reply procedures in Exhibit 3.22.3-10.
 - c. If research shows a different DLN for the same tax period with the same address for the taxpayer, **AND** the return is located and it is open in ERS, refer to lead tax examiner for further instructions.

Exhibit 3.22.3-1 (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Tax Treaty **Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties** is used to verify tax treaty claims exempting personal services compensation. The table lists the different types of personal services income that may be fully or partly exempt from U.S. income tax. The income code numbers in column (2) are for TY 2020. See IRM 3.22.3.4 for cross reference to income codes in prior years. Use this table and the footnote references to verify tax treaty claims following the guidance in, IRM 3.22.3.17.3 *Field 03TEX - Total Income Exempt by Treaty*, and the instructions in EC 218.

Exhibit 3.22.3-1 (Cont. 1) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties****Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Armenia - see C.I.S						
Australia	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Australia	18	Dependent personal services ^{17,47,57}	183 days	Any foreign resident	No limit	15
Australia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ²⁵	17
Australia	20	Studying and training: Remittances or allowance ¹¹	No limit	Any foreign resident	No limit	20
Austria	17	Independent personal services ⁷	No limit	Any contractor	No limit	14
Austria	18	Dependent personal services ^{17,58}	183 days	Any foreign resident	No limit	15
Austria	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	17
Austria	20	Studying and training: Remittances or allowance ¹¹	3 years ⁴⁵	Any foreign resident	No limit	20
Azerbaijan - see C.I.S						
Bangladesh	16	Scholarship or fellowship grant ⁴	2 years ⁴⁵	Any U.S. or foreign resident ⁵	No limit	21(2)
Bangladesh	17	Independent personal services ⁷	183 days	Any contractor	No limit	15
Bangladesh	18	Dependent personal services ^{17,57}	183 days	Any foreign resident	No limit	16

Exhibit 3.22.3-1 (Cont. 2) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Bangladesh	42	Public entertainment	No limit	Any contractor	\$10,000 p.a. ³⁰	18
Bangladesh	19	Teaching or research ⁴	2 years	Any U.S. or foreign resident	No limit	21(1)
Bangladesh	20	Studying and training: ⁴ Remittances or allowances	2 years ⁴⁵	Any foreign resident	No limit	21(2)
Bangladesh	20	Studying and training: ⁴ Compensation during study or training	2 years ⁴⁵	Any U.S. or foreign resident	\$8,000 p.a.	21(2)
Barbados	17	Independent personal services ^{7,8,47}	89 days	Any foreign contractor	No limit	14
Barbados	17	Independent personal services ^{7,8,47}	89 days	Any U.S. contractor	\$5,000 p.a.	14
Barbados	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	\$5,000 p.a.	15
Barbados	42	Public entertainment	No limit	Any U.S. or foreign resident	\$250 per day or \$4,000 p.a. ^{6,50}	17
Barbados	20	Studying and training: ²³ Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	20
Belarus - see C.I.S						
Belgium	17	Independent personal services ^{12,53}				7
Belgium	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	14
Belgium	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	16

Exhibit 3.22.3-1 (Cont. 3) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Belgium	19	Teaching ⁴	2 years	Any U.S. educational or research institution	No limit	19(2)
Belgium	20	Studying and training: ¹¹ Remittances or allowances	2 years ⁴⁵	Any foreign resident	No limit	19(1)(a)
Belgium	20	Studying and training: ¹¹ Compensation during study or training	2 years ⁴⁵	Any U.S. or foreign resident	\$9,000 p.a.	19(1)(b)
Bulgaria	17	Independent personal services ⁵³				7
Bulgaria	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	14
Bulgaria	42	Public entertainment	No limit	Any U.S. or foreign resident	\$15,000 p.a. ²⁵	16
Bulgaria	19	Teaching ⁴	2 years	Any U.S. educational or research institution	No limit	19(2)
Bulgaria	20	Studying and training: ¹¹ Remittances or allowances	2 years ⁴⁵	Any foreign resident	No limit	19(1)(a)
Bulgaria	20	Studying and training: ¹¹ Compensation during study or training	2 years ⁴⁵	Any U.S. or foreign resident	\$9,000 p.a.	19(1)(b)
Canada	17	Independent personal services ⁵³				VII
Canada	18	Dependent personal services ⁵⁷	No limit	Any U.S. or foreign resident	\$10,000	XV
Canada	18	Dependent personal services ⁵⁷	183 days	Any foreign resident ¹⁷	No limit ¹³	XV

Exhibit 3.22.3-1 (Cont. 4) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Canada	42	Public entertain-ment ⁵⁴	No limit	Any U.S. or foreign resident	\$15,000 p.a. ²⁵	XVI
Canada	20	Studying and training: ¹¹ Remit-tances or allowances	No limit ⁵²	Any foreign resident	No limit	XX
China, People's Rep. of	16	Scholarship or fellowship grant ¹⁵	No specific limit	Any U.S. or foreign resident ⁵	No limit	20(b)
China, People's Rep. of	17	Independent personal services ^{7,8}	183 days	Any contractor	No limit	13
China, People's Rep. of	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	14
China, People's Rep. of	42	Public entertain-ment ²⁹				16
China, People's Rep. of	19	Teaching ⁴	3 years	U.S. educational or research institute	No limit	19
China, People's Rep. of	20	Studying and training: Remit-tances or allowances	No specific limit	Any foreign resident	No limit	20(a)
China, People's Rep. of	20	Studying and training: Compen-sation during training or while gaining experi-ence	No specific limit	Any U.S. or foreign resident	\$5,000 p.a.	20(c)
C.I.S (Common-wealth of Indepen-dent States) (See Note below table)	16	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident	Limited ¹⁹	VI(1)

Exhibit 3.22.3-1 (Cont. 5) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
C.I.S	17	Independent personal services	183 days	Any U.S. or foreign contractor	No limit	VI(2)
C.I.S	18	Dependent personal services	183 days	Any U.S. or foreign resident	No limit	VI(2)
C.I.S	19	Teaching ^{4,20}	2 years	Any U.S. educational or scientific institution	No limit	VI(1)
C.I.S	20	Studying and training: Remittances or allowances	5 years	Any U.S. or foreign resident	Limited	VI(1)
C.I.S	20	Studying and training: Compensation while gaining experience	1 year	C.I.S. resident	No limit ²¹	VI(1)
C.I.S	20	Studying and training: Compensation under U.S. government program	1 year	Any U.S. or foreign resident	No limit	VI(1)
Cyprus	16	Scholarship or fellowship grant ¹⁵	Generally, 5 years	Any U.S. or foreign resident ⁵	No limit	21(1)
Cyprus	17	Independent personal services ^{7,12}	182 days	Any contractor	No limit	17
Cyprus	18	Dependent personal services ^{17,58}	182 days	Any foreign resident	No limit	18
Cyprus	42	Public entertainment	No limit	Any U.S. or foreign resident	\$500 per day or \$5,000 p.a. ⁶	19(1)
Cyprus	20	Studying and training: Remittances or allowances	Generally, 5 years	Any foreign resident	No limit	21(1)
Cyprus	20	Studying and training: Compensation during training	Generally, 5 years	Any U.S. or foreign resident	\$2,000 p.a.	21(1)

Exhibit 3.22.3-1 (Cont. 6) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Cyprus	20	Studying and training: Compensation while gaining experience ²	1 year	Cyprus resident	\$7,500	21(2)
Cyprus	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	21(3)
Czech Republic	16	Scholarship or fellowship grant ^{4,15}	5 years	Any U.S. or foreign resident ⁵	No limit	21(1)
Czech Republic	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Czech Republic	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	15
Czech Republic	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	18
Czech Republic	19	Teaching ^{4, 35}	2 years	Any U.S. educational or research institution	No limit	21(5)
Czech Republic	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
Czech Republic	20	Studying and training: ⁴ Compensation during training	5 years	Any U.S. or foreign resident	\$5,000 p.a.	21(1)
Czech Republic	20	Studying and training: ^{4,2} Compensation while gaining experience ²	12 consecutive months	Czech resident	\$8,000	21(2)

Exhibit 3.22.3-1 (Cont. 7) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Czech Republic	20	Studying and training: ⁴ Compensation under U.S. government program	1 year	U.S. government	\$10,000	21(3)
Denmark	17	Independent personal services ⁷	No limit	Any contractor	No limit	14
Denmark	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	15
Denmark	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	17
Denmark	20	Studying and training: ⁴ Remittances or allowances ¹¹	3 years ⁴⁵	Any foreign resident	No limit	20
Egypt	16	Scholarship or fellowship grant ¹⁵	Generally, 5 years	Any U.S. or foreign resident ⁵	No limit	23(1)
Egypt	17	Independent personal services	89 days	Any contractor	No limit	15
Egypt	18	Dependent personal services ^{16,17,58}	89 days	Egyptian resident	No limit	16
Egypt	42	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day ⁴⁶	17
Egypt	19	Teaching ^{4, 13}	2 years	U.S. educational institution	No limit	22
Egypt	20	Studying and training: Remittances or allowances	Generally, 5 years	Any foreign resident	No limit	23(1)
Egypt	20	Studying and training: Compensation during training	Generally, 5 years	U.S. or any foreign resident	\$3,000 p.a.	23(1)

Exhibit 3.22.3-1 (Cont. 8) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Egypt	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Egyptian resident	\$7,500	23(2)
Egypt	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	23(3)
Estonia	16	Scholarship or fellowship grant ⁴	5 years	Any U.S. or foreign resident ⁵	No limit	20(1)
Estonia	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Estonia	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	15
Estonia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	17
Estonia	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
Estonia	20	Studying and training: ⁴ Compensation during training	12 consecutive months	Estonian resident	\$8,000	20(2)
Estonia	20	Studying and training: ⁴ Compensation during training	5 years	Other foreign or U.S. resident	\$5,000 p.a.	20(1)
Estonia	20	Studying and training: ⁴ Compensation while gaining experience ²	12 consecutive months	Estonian resident	\$8,000	20(2)

Exhibit 3.22.3-1 (Cont. 9) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Estonia	20	Studying and training: Compensation under U.S. gov- ernment program	1 year	U.S. government or its contractor	\$10,000	20(3)
Finland	17	Independent personal services ⁷	No limit	Any contractor	No limit	14
Finland	18	Dependent personal services ^{17,57}	183 days	Any foreign resident	No limit	15
Finland	42	Public entertain- ment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	17
Finland	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	20
France	16	Scholarship or fellowship grant ¹⁵	5 years ⁴³	Any U.S. or foreign resident ⁵	No limit	21(1)
France	17	Independent personal services ^{7,12}	No limit	Any contractor	No limit	14
France	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	15
France	42	Public entertain- ment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ³⁰	17
France	19	Teaching ^{4, 44}	2 years ⁴³	U.S. educational or research institution	No limit	20
France	20	Studying and training: ⁴ Remittances or allowances	5 years ⁴³	Any foreign resident	No limit	21(1)
France	20	Studying and training: Compensation during study or training	12 con- secutive months	French resident	\$8,000	21(2)

Exhibit 3.22.3-1 (Cont. 10) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
France	20	Studying and training: Compensation during study or training	5 years ⁴³	Other foreign or U.S. resident	\$5,000 p.a.	21(1)
France	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	French resident	\$8,000	21(2)
Georgia - see C.I.S						
Germany	16	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident ⁵	No limit	20(3)
Germany	17	Independent personal services ^{53,12}				7
Germany	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	15
Germany	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	17
Germany	19	Teaching ^{4,55}	2 years	U.S. educational or research institution	No limit	20(1)
Germany	20	Studying and training: ¹¹ Remittances or allowances	No limit	Any foreign resident	No limit	20(2)
Germany	20	Studying and training: ¹¹ Compensation during study or training	4 years	Any U.S. or foreign resident	\$9,000 p.a.	20(4)
Germany	20	Studying and training: ¹¹ Compensation while gaining experience ²	1 year	Any foreign resident	\$10,000 ²⁸	20(5)

Exhibit 3.22.3-1 (Cont. 11) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Greece	17	Independent personal services	183 days	Greek resident contractor	No limit	X
Greece	17	Independent personal services	183 days	Other foreign or U.S. resident contractor	\$10,000 p.a.	X
Greece	18	Dependent personal services	183 days	Greek resident	No limit	X
Greece	18	Dependent personal services	183 days	Other foreign or U.S. resident contractor	\$10,000 p.a.	X
Greece	19	Teaching	3 years	U.S. educational institution	No limit	XII
Greece	20	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII
Hungary	17	Independent personal services ⁷	183 days	Any contractor	No limit	13
Hungary	18	Dependent personal services ^{17,57}	183 days	Any foreign resident	No limit	14
Hungary	19	Teaching ⁴	2 years	U.S. educational institution	No limit	17
Hungary	20	Studying and training: ²³ Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	18(1)
Iceland	16	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident ⁵	No limit	19(1)
Iceland	17	Independent personal services ⁵³				7
Iceland	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	14
Iceland	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	16

Exhibit 3.22.3-1 (Cont. 12) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Iceland	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
Iceland	20	Studying and training: Compensation during study or training	5 years	Any U.S. or foreign resident	\$9,000 p.a.	19(1)
Iceland	20	Studying and training: Compensation while gaining experience	12 consecutive months	Any U.S. or foreign resident	\$9,000	19(2)
Iceland	20	Studying and training: Compensation under U.S. Government program	1 year	U.S. Government or its contractor	\$9,000	19(3)
India	17	Independent personal services ^{7,8}	89 days	Any contractor	No limit	15
India	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	16
India	42	Public entertainment	No limit	Any U.S. or foreign resident	\$1,500 p.a. ^{26,50}	18
India	19	Teaching ⁴	2 years	U.S. educational institution	No limit	22
India	20	Studying and training: Remittances or allowances	Reasonable period	Any foreign resident ²⁷	No limit	21(1)
Indonesia	16	Scholarship and fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	19(1)
Indonesia	17	Independent personal services ⁷	119 days	Any contractor	No limit	15

Exhibit 3.22.3-1 (Cont. 13) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Indonesia	18	Dependent personal services ^{17,57}	119 days	Any foreign resident	No limit	16
Indonesia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$2,000 p.a. ^{25,50}	17
Indonesia	19	Teaching ^{4,44}	2 years	U.S. educational institution	No limit	20
Indonesia	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
Indonesia	20	Studying and training: Compensation during training	5 years	Any U.S. or foreign resident	\$2,000 p.a.	19(1)
Indonesia	20	Studying and training: Compensation while gaining experience	12 consecutive months	Any U.S. or foreign resident	\$7,500	19(2)
Ireland	17	Independent personal services ^{7,12}	No limit	Any contractor	No limit	14
Ireland	18	Dependent personal services ^{17,47,58}	183 days	Any foreign resident	No limit	15
Ireland	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	17
Ireland	20	Studying and training: Remittances or allowances ¹¹	1 year ⁴⁵	Any foreign resident	No limit	20
Israel	16	Scholarship and fellowship grant	5 years	Any U.S. or foreign resident ⁵	No limit	24(1)
Israel	17	Independent personal services	182 days	Any contractor	No limit	16

Exhibit 3.22.3-1 (Cont. 14) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Israel	18	Dependent personal services ^{16,17,57}	182 days	Israeli resident	No limit	17
Israel	42	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day ³⁷	18
Israel	19	Teaching ^{4,39}	2 years	U.S. educational institution	No limit	23
Israel	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	24(1)
Israel	20	Studying and training: Compensation during study or training	5 years	Any U.S. or foreign resident	\$3,000 p.a.	24(1)
Israel	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Israeli resident	\$7,500	24(2)
Israel	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	24(3)
Italy	17	Independent personal services ⁷	No limit	Any contractor	No limit	14(1)
Italy	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	15(2)
Italy	42	Public entertainment	90 days	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	17
Italy	19	Teaching or research ⁴	2 years	Any U.S. or foreign resident	No limit	20

Exhibit 3.22.3-1 (Cont. 15) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Italy	20	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Jamaica	17	Independent personal services ^{7,12}	89 days	Any foreign contractor	No limit	14
Jamaica	17	Independent personal services ^{17,12}	89 days	Any U.S. contractor	\$5,000 p.a.	14
Jamaica	18	Dependent personal services ^{17,57}	183 days	Any foreign resident	\$5,000 p.a.	15
Jamaica	42	Public entertainment	No limit	Any U.S. or foreign resident	\$400 per day or \$5,000 p.a. ⁶	18
Jamaica	19	Teaching or research ^{4,44}	2 years	U.S. educational institution	No limit	22
Jamaica	20	Studying and training: ²³ Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	21(1)
Jamaica	20	Studying and training: ²³ Compensation during study	12 consecutive months	Jamaican resident	\$7,500 p.a.	21(2)
Jamaica	20	Studying and training: ²³ Compensation while gaining experience ²	12 consecutive months	Jamaican resident	\$7,500 p.a.	21(2)
Japan	17	Independent personal services ^{8,53}				7
Japan	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	14
Japan	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ²⁵	16

Exhibit 3.22.3-1 (Cont. 16) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Japan	19	Teaching or research ⁴	2 years	Any U.S. educational institution	No limit	20
Japan	20	Studying and training: Remittances or allowances	1 year ⁴⁵	Any foreign resident	No limit	19
Kazakhstan	16	Scholarship or fellowship grant ^{4,15,41}	5 years ³¹	Any U.S. or foreign resident ⁵	No limit	19
Kazakhstan	17	Independent personal services ^{7,8}	183 days	Any contractor	No limit	14
Kazakhstan	18	Dependent personal services ^{17,47,58}	183 days	Any foreign resident	No limit	15
Kazakhstan	20	Studying and training: ⁴ Remittances or allowances	5 years ³¹	Any foreign resident	No limit	19
Korea, South	16	Scholarship or fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	21(1)
Korea, South	17	Independent personal services ⁷	182 days	Any contractor	\$3,000 p.a.	18
Korea, South	18	Dependent personal services ^{17,57}	182 days	Korean resident ¹⁸	\$3,000 p.a.	19
Korea, South	19	Teaching ⁴	2 years	U.S. educational institution	No limit	20
Korea, South	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
Korea, South	20	Studying and training: Compensation during training	5 years	Any foreign or U.S. resident	\$2,000 p.a.	21(1)

Exhibit 3.22.3-1 (Cont. 17) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Korea, South	20	Studying and training: Compensation while gaining experience ²	1 year	Korean resident	\$5,000	21(2)
Korea, South	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	21(3)
Kyrgyzstan - see C.I.S						
Latvia	16	Scholarship or fellowship grant ⁴	5 years	Any U.S. or foreign resident ⁵	No limit	20(1)
Latvia	17	Independent personal services ^{7,8}	183 days	Any contractor	No limit	14
Latvia	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	15
Latvia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	17
Latvia	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
Latvia	20	Studying and training: ⁴ Compensation during training	12 consecutive months	Latvian resident	\$8,000	20(2)
Latvia	20	Studying and training: ⁴ Compensation during training	5 years	Other foreign or U.S. resident	\$5,000 p.a.	20(1)

Exhibit 3.22.3-1 (Cont. 18) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Latvia	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Latvian resident	\$8,000	20(2)
Latvia	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	20(3)
Lithuania	16	Scholarship or fellowship grant ⁴	5 years	Any U.S. or foreign resident ⁵	No limit	20(1)
Lithuania	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Lithuania	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	15
Lithuania	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	17
Lithuania	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
Lithuania	20	Studying and training ⁴ Compensation during training	12 consecutive months	Lithuanian resident	\$8,000	20(2)
Lithuania	20	Studying and training ⁴ Compensation during training	5 years	Other foreign or U.S. resident	\$5,000 p.a.	20(1)
Lithuania	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Lithuanian resident	\$8,000	20(2)

Exhibit 3.22.3-1 (Cont. 19) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Lithuania	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	20(3)
Luxembourg	17	Independent personal services ⁷	No limit	Any contractor	No limit	15
Luxembourg	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	16
Luxembourg	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ²⁵	18
Luxembourg	19	Teaching or research ⁹	2 years	Any U.S. or foreign resident	No limit	21(2)
Luxembourg	20	Studying and training: Remittances or allowances ¹¹	2 years ⁴⁵	Any U.S. or foreign resident	No limit	21(1)
Malta	17	Independent personal services ⁵³				7
Malta	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	14
Malta	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	16
Malta	20	Studying and training: Remittances or allowances	1 year ⁴⁵	Any foreign resident	No limit	20(1)
Malta	20	Studying and training: Compensation during study or training	No limit	Any U.S. or foreign resident	\$9,000 p.a.	20(2)

Exhibit 3.22.3-1 (Cont. 20) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Malta	20	Studying and training: Compensation while gaining experience	No limit	Any U.S. or foreign resident	\$9,000 p.a.	20
Mexico	17	Independent personal services ^{7,8}	182 days	Any contractor	No limit	14
Mexico	18	Dependent personal services ^{17,47,57}	183 days	Any foreign resident	No limit	15
Mexico	42	Public entertainment	No limit	Any U.S. or foreign resident	\$3,000 p.a. ³⁰	18
Mexico	20	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Moldova - see C.I.S						
Morocco	16	Scholarship or fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	18
Morocco	17	Independent personal services ⁷	182 days	Any contractor ¹³	\$5,000	14
Morocco	18	Dependent personal services ^{17,57}	182 days	Moroccan resident ^{13,18}	No limit	15
Morocco	20	Studying and training: ⁵ Remittances or allowances	5 years	Any foreign resident	No limit	18
Morocco	20	Studying and training: ⁵ Compensation during training	5 years	Any U.S. or foreign resident	\$2,000 p.a.	18
Netherlands	16	Scholarship or fellowship grant ^{15,33}	3 years	Any U.S. or foreign resident ⁵	No limit	22(2)

Exhibit 3.22.3-1 (Cont. 21) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Netherlands	17	Independent personal services ⁷	No limit	Any contractor	No limit	15
Netherlands	18	Dependent personal services ^{17,47,58}	183 days	Any foreign resident	No limit	16
Netherlands	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ²⁵	18
Netherlands	19	Teaching ^{4,34}	2 years	U.S. educational institution	No limit	21(1)
Netherlands	20	Studying and training: ³³ Remittances or allowances	Reasonable period	Any foreign resident	No limit	22(1)
Netherlands	20	Studying and training: ³³ Compensation while gaining experience	Reasonable period	Any U.S. or foreign resident	\$2,000 p.a.	22(1)
Netherlands	20	Studying and training: ³³ Compensation while recipient of scholarship or fellowship grant	Reasonable period	Any U.S. or foreign resident	\$2,000 p.a. ³⁶	22(2)
New Zealand	17	Independent personal services ⁵³	183 days	Any U.S. or foreign resident	No limit	14
New Zealand	18	Dependent personal services ^{17,58}	183 days	Any foreign resident	No limit	15
New Zealand	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 ²⁵	17
New Zealand	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	20
Norway	16	Scholarship or fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	16(1)

Exhibit 3.22.3-1 (Cont. 22) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Norway	17	Independent personal services ⁷	182 days	Any contractor	No limit	13
Norway	18	Dependent personal services ^{17,56,59}	182 days	Norwegian resident ¹⁸	No limit	14
Norway	42	Public entertainment	90 days	Any contractor	\$10,000 p.a. ²⁸	13
Norway	19	Teaching ⁴	2 years	U.S. educational institution	No limit	15
Norway	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	16(1)
Norway	20	Studying and training: Compensation during training	5 years	Any U.S. or foreign resident	\$2,000 p.a.	16(1)
Norway	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Norwegian resident	\$5,000	16(2)
Norway	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000	16(3)
Pakistan	16	Scholarship or fellowship grant ¹⁵	No limit	Pakistani nonprofit organization	No limit	XIII(1)
Pakistan	17	Independent personal services ¹⁶	183 days	Pakistani resident contractor	No limit	XI
Pakistan	18	Dependent personal services ¹⁶	183 days	Pakistani resident	No limit	XI
Pakistan	19	Teaching	2 years	U.S. educational institution	No limit	XII

Exhibit 3.22.3-1 (Cont. 23) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Pakistan	20	Studying and training: Remittances or allowances	No limit	Any foreign resident	No limit	XIII(1)
Pakistan	20	Studying and training: Compensation during training	No limit	U.S. or any foreign resident	\$5,000 p.a.	XIII(1)
Pakistan	20	Studying and training: Compensation while gaining experience ²	1 year	Pakistani resident	\$6,000	XIII(2)
Pakistan	20	Studying and training: Compensation while under U.S. government program	No limit	U.S. government, its contractor, or any foreign resident employer	\$10,000	XIII(3)
Philippines	16	Scholarship or fellowship grant ¹⁵	5 years	U.S. or any foreign resident ⁵	No limit	22(1)
Philippines	17	Independent personal services ⁷	89 days	Any foreign contractor	No limit	15
Philippines	17	Independent personal services ⁷	89 days	Any U.S. resident	\$10,000 p.a.	15
Philippines	18	Dependent personal services ^{17,57}	89 days	Any Philippines resident ¹⁸	No limit	16
Philippines	42	Public entertainment	No limit	Any U.S. or foreign resident	\$100 per day or \$3,000 p.a. ^{28,50}	17
Philippines	19	Teaching ^{4,38}	2 years	U.S. educational institution	No limit	21
Philippines	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	22(1)

Exhibit 3.22.3-1 (Cont. 24) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Philippines	20	Studying and training: Compensation during study	5 years	Any U.S. or foreign resident	\$3,000 p.a.	22(1)
Philippines	20	Studying and training: Compensation while gaining experience ²	12 consecutive months	Philippines resident	\$7,500 p.a.	22(2)
Philippines	20	Studying and training: Compensation while under U.S. government program	1 year	U.S. government or its contractor	\$10,000 p.a.	22(3)
Poland	16	Scholarship or fellowship grant ¹⁵	5 years	U.S. or any foreign resident ⁵	No limit	18(1)
Poland	17	Independent personal services	182 days	Any contractor	No limit	15
Poland	18	Dependent personal services ^{17,57}	182 days	Any foreign resident	No limit	16
Poland	19	Teaching ^{4,41}	2 years	U.S. educational institution	No limit	17
Poland	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	18(1)
Poland	20	Studying and training: Compensation during study or training	5 years	U.S. or any foreign resident	\$2,000 p.a.	18(1)
Poland	20	Studying and training: Compensation while gaining experience ²	1 year	Polish resident	\$5,000	18(2)

Exhibit 3.22.3-1 (Cont. 25) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Poland	20	Studying and training: Compensation while under U.S. government program	1 year	U.S. government or its contractor	\$10,000	18(3)
Portugal	16	Scholarship or fellowship grant ¹⁵	5 years	U.S. or any foreign resident ⁵	No limit	23(1)
Portugal	17	Independent personal services ⁷	182 days	Any contractor	No limit	15
Portugal	18	Dependent personal services ^{8,17,58}	183 days	Any foreign resident	No limit	16
Portugal	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ³⁰	19
Portugal	19	Teaching ^{4,42}	2 years	U.S. educational institution	No limit	22
Portugal	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	23(1)
Portugal	20	Studying and training: ⁴ Compensation during study or training	12 consecutive months	Portuguese resident	\$8,000	23(2)
Portugal	20	Studying and training: ⁴ Compensation during study or training	5 years	Other foreign or U.S. resident	\$5,000 p.a.	23(1)
Portugal	20	Studying and training: ⁴ Compensation while gaining experience ²	12 consecutive months	Portuguese resident	\$8,000	23(2)
Romania	16	Scholarship or fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	20(1)

Exhibit 3.22.3-1 (Cont. 26) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Romania	17	Independent personal services	182 days	Any contractor	No limit	14
Romania	42	Public entertainment ⁶⁰	90 days	Any contractor	\$3,000 p.a. ²⁸	14
Romania	18	Dependent personal services ^{17,57}	182 days	Romanian resident ¹⁸	No limit	15
Romania	42	Public entertainment ⁶⁰	89 days	Any U.S. or foreign resident	\$2,999.99 p.a. ²⁸	15
Romania	19	Teaching ⁴	2 years	U.S. educational institution	No limit	19
Romania	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	20(1)
Romania	20	Studying and training: Compensation during training	5 years	U.S. or any foreign resident	\$2,000 p.a.	20(1)
Romania	20	Studying and training: Compensation while gaining experience ²	1 year	Romanian resident	\$5,000.	20(2)
Romania	20	Studying and training: Compensation while under U.S. government program	1 year	U.S. government or its contractor	\$10,000	20(3)
Russia	16	Scholarship or fellowship grant ^{4,15,41}	5 years ³¹	Any U.S. or foreign resident ⁵	No limit	18
Russia	17	Independent personal services ⁷	183 days	Any contractor	No limit	13
Russia	18	Dependent personal services ^{8,17,32,58}	183 days	Any foreign resident	No limit	14

Exhibit 3.22.3-1 (Cont. 27) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Russia	20	Studying and training: ⁴ Remittances or allowances	5 years ³¹	Any foreign resident	No limit	18
Slovak Republic	16	Scholarship or fellowship grant ^{4,15}	5 years	Any U.S. or foreign resident ⁵	No limit	21(1)
Slovak Republic	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Slovak Republic	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	15
Slovak Republic	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ³⁰	18
Slovak Republic	19	Teaching ^{4,35}	2 years	Any U.S. educational or research institution	No limit	21(5)
Slovak Republic	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	21(1)
Slovak Republic	20	Studying and training: ⁴ Compensation during training	5 years	Any U.S. or any foreign resident	\$5,000 p.a.	21(1)
Slovak Republic	20	Studying and training: ⁴ Compensation while gaining experience ²	12 consecutive months	Slovak resident	\$8,000	21(2)
Slovak Republic	20	Studying and training: ⁴ Compensation while under U.S. government program	1 year	U.S. government	\$10,000	21(3)
Slovenia	16	Scholarship or fellowship grant ⁴	5 years ¹⁰	Any U.S. or foreign resident ⁵	No limit	20(1)

Exhibit 3.22.3-1 (Cont. 28) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Slovenia	17	Independent personal services ⁷	No limit	Any contractor	No limit	14
Slovenia	18	Dependent personal services ^{12,17,58}	183 days	Any foreign resident	No limit	15
Slovenia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$15,000 p.a. ³⁰	17
Slovenia	19	Teaching or research ⁴	2 years ⁴⁰	Any U.S. or foreign resident	No limit	20(3)
Slovenia	20	Studying and training: ⁴ Remittances or allowances	5 years ¹⁰	Any foreign resident	No limit	20(1)
Slovenia	20	Studying and training: ⁴ Compensation during training	12 months	Slovenian resident	\$8,000	20(2)
Slovenia	20	Studying and training: ⁴ Compensation during training	5 years ¹⁰	Other foreign or U.S. resident	\$5,000 p.a.	20(1)
Slovenia	20	Studying and training: ⁴ Compensation while gaining experience ²	12 months	Slovenian resident	\$8,000	20(2)
South Africa	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
South Africa	18	Dependent personal services ^{12,17,58}	183 days	Any foreign resident	No limit	15
South Africa	42	Public entertainment	No limit	Any U.S. or foreign resident	\$7,500 p.a. ³⁰	17
South Africa	20	Studying and training: Remittances or allowances ¹¹	1 year ⁴⁵	Any foreign resident	No limit	20

Exhibit 3.22.3-1 (Cont. 29) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Spain	16	Scholarship or fellowship grant ^{4,15}	5 years	Any U.S. or foreign resident ⁵	No limit	22(1)
Spain	17	Independent personal services ⁷	No limit	Any contractor	No limit	15
Spain	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	16
Spain	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ³⁰	19
Spain	20	Studying and training: ⁴ Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
Spain	20	Studying and training: ⁴ Compensation during training	5 years	Any U.S. or foreign resident	\$5,000 p.a.	22(1)
Spain	20	Studying and training: ⁴ Compensation while gaining experience ²	12 consecutive months	Spanish resident	\$8,000	22(2)
Sri Lanka	17	Independent personal services ^{7,12}	183 days	Any contractor	No limit.	15
Sri Lanka	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	16
Sri Lanka	42	Public entertainment	No limit	Any U.S. or foreign resident	\$6,000 p.a. ³⁰	18
Sri Lanka	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	21(1)

Exhibit 3.22.3-1 (Cont. 30) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Sri Lanka	20	Studying and training: Compensation while gaining experience ²	1 year	Sri Lankan resident ¹⁹	\$6,000	21(2)
Sweden	17	Independent personal services ⁷	No limit	Any contractor	No limit.	14
Sweden	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	15
Sweden	42	Public entertainment	No limit	Any U.S. or foreign resident	\$6,000 ²⁵	18
Sweden	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	21
Switzerland	17	Independent personal services ⁷	No limit	Any contractor	No limit	14
Switzerland	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	15
Switzerland	42	Public entertainment	No limit	Any U.S. or foreign resident	\$10,000 p.a. ²⁵	17
Switzerland	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	20
Tajikistan - see C.I.S						
Thailand	16	Scholarship or fellowship grant	5 years	Any U.S. or foreign resident ⁵	No limit	22(1)
Thailand	17	Independent personal services ⁷	89 days	Any U.S. resident or permanent establishment	\$10,000 p.a.	15

Exhibit 3.22.3-1 (Cont. 31) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Thailand	17	Independent personal services ⁷	89 days	Any foreign contractor	No limit ⁴⁹	15
Thailand	18	Dependent personal services ^{12,17,47,57}	183 days	Any foreign resident	No limit	16
Thailand	42	Public entertainment	No limit	Any U.S. or foreign resident	\$100 per day or \$3,000 p.a. ⁴⁸	19
Thailand	19	Teaching or research ^{4,38}	2 years	Any U.S. or foreign resident	No limit	23
Thailand	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	22(1)
Thailand	20	Studying and training: Compensation during training	5 years	Any U.S. or foreign resident	\$3,000 p.a.	22(1)
Thailand	20	Studying and training: Compensation while gaining experience	12 consecutive months	Thai resident ²	\$7,500 p.a.	22(2)
Thailand	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government	\$10,000	22(3)
Trinidad and Tobago	16	Scholarship or fellowship grant ¹⁵	5 years	Any U.S. or foreign resident ⁵	No limit	19(1)
Trinidad and Tobago	17	Independent personal services ¹⁴	183 days	Any foreign resident contractor	No limit	17
Trinidad and Tobago	17	Independent personal services ¹⁴	183 days	Any U.S. contractor	\$3,000 ⁶	17

Exhibit 3.22.3-1 (Cont. 32) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Trinidad and Tobago	18	Dependent personal services ^{8,14}	183 days	Any foreign resident	No limit	17
Trinidad and Tobago	18	Dependent personal services ^{8,14}	183 days	Any U.S. resident	\$3,000 ⁶	17
Trinidad and Tobago	42	Public Entertainment	No limit	Any U.S. or foreign resident	\$100/day	17(4)
Trinidad and Tobago	19	Teaching ⁴	2 years	U.S. educational institution or U.S. government	No limit	18
Trinidad and Tobago	20	Studying and training: Remittances or allowances	5 years	Any foreign resident	No limit	19(1)
Trinidad and Tobago	20	Studying and training: Compensation during study or research	5 years	U.S. or any foreign resident	\$2,000 p.a. ⁶	19(1)
Trinidad and Tobago	20	Studying and training: Compensation during professional training	5 years	U.S. or any foreign resident	\$5,000 p.a. ⁶	19(1)
Trinidad and Tobago	20	Studying and training: Compensation while gaining experience	1 year	Trinidad-Tobago resident ²	\$5,000 ⁶	19(2)
Trinidad and Tobago	20	Studying and training: Compensation under U.S. government program	1 year	U.S. government or its contractor	\$10,000 ⁶	19(3)
Tunisia	16	Scholarship and fellowship grant ^{11,15}	5 years	Any U.S. or foreign resident ⁵	No limit	20

Exhibit 3.22.3-1 (Cont. 33) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code¹	Purpose²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Tunisia	17	Independent personal services ⁷	183 days	Any resident contractor	\$7,500 p.a.	14
Tunisia	18	Dependent personal services ^{8,17,57}	183 days	Any foreign resident	No limit	15
Tunisia	42	Public entertainment	No limit	Any U.S. or foreign resident	\$7,500 p.a. ²⁵	17
Tunisia	20	Studying and training: ¹¹ Remittances or allowances	5 years	Any foreign resident	No limit	20
Tunisia	20	Studying and training: ¹¹ Compensation during training	5 years	Any U.S. or foreign resident	\$4,000 p.a.	20
Turkey	17	Independent personal services ⁷	183 days	Any contractor	No limit	14
Turkey	18	Dependent personal services ^{12,17,57}	183 days	Any foreign resident	No limit	15
Turkey	42	Public entertainment	No limit	Any U.S. or foreign resident	\$3,000 p.a. ⁴⁸	17
Turkey	19	Teaching or research	2 years	Any foreign resident	No limit	20(2)
Turkey	20	Studying and training: Remittances or allowances ¹¹	No limit	Any foreign resident	No limit	20(1)
Turkmenistan - see C.I.S						
Ukraine	16	Scholarship or fellowship grant ⁴¹	5 years ³¹	Any U.S. or foreign resident ⁵	No limit	20
Ukraine	17	Independent personal services ^{3,7}	No limit	Any contractor	No limit	14

Exhibit 3.22.3-1 (Cont. 34) (01-01-2026)

Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Ukraine	18	Dependent personal services ^{3,17,47,58}	183 days	Any foreign resident	No limit	15
Ukraine	20	Studying and training: Remittances or allowances ⁴	5 years ³¹	Any foreign resident	No limit	20
United Kingdom	17	Independent personal services ⁵³				7
United Kingdom	18	Dependent personal services ^{12,17,58}	183 days	Any foreign resident	No limit	14
United Kingdom	42	Public entertainment	No limit	Any U.S. or foreign resident	\$20,000 p.a. ²⁵	16
United Kingdom	19	Teaching or research ⁴	2 years	Any U.S. educational institution	No limit	20A
United Kingdom	20	Studying and training: Remittances or allowances ¹¹	1 year ⁴⁵	Any foreign resident	No limit	20
Uzbekistan - see C.I.S						
Venezuela	16	Scholarship or fellowship grant ⁴	5 years ¹⁰	Any U.S. or foreign resident ⁵	No limit	21(1)
Venezuela	17	Independent personal services ^{7,12}	No limit	Any contractor	No limit	14
Venezuela	18	Dependent personal services ^{12,17,58}	183 days	Any foreign resident	No limit	15
Venezuela	42	Public entertainment	No limit	Any U.S. or foreign resident	\$6,000 p.a. ³⁰	18
Venezuela	19	Teaching ⁴	2 years ⁴⁰	Any U.S. or foreign resident	No limit	21(3)

Exhibit 3.22.3-1 (Cont. 35) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

Country	Code ¹	Purpose ²²	Maximum Presence in U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article Citation
Venezuela	20	Studying and training: ⁴ Remittances or allowances	5 years ¹⁰	Any foreign resident	No limit	21(1)
Venezuela	20	Studying and training: ⁴ Com- pensation during training	12 months	Venezuelan resident	\$8,000	21(2)
Venezuela	20	Studying and training: ⁴ Com- pensation during training	5 years ¹⁰	Other foreign or U.S. resident	\$5,000 p.a.	21(1)
Venezuela	20	Studying and training: ⁴ Compensation while gaining ex- perience	12 months	Venezuelan resident ²	\$8,000	21(2)

Note: Those countries to which the U.S. - U.S.S.R income tax treaty still applies: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Uzbekistan.

No	Footnotes to Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties
1	Refers to income code numbers under which the income is reported on Forms 1042-S. Personal services must be performed by a nonresident alien individual who is a resident of the specified treaty country.
2	Applies only if training or experience is received from a person other than alien's employer.
3	The exemption does not apply to income received for performing services in the United States as an entertainer or a sportsman. However, this income is exempt for U.S. income tax if the visit is (a) substantially supported by public funds of Ukraine, its political subdivisions, or local authorities, or (b) made under a specific arrangement agreed to by the governments of the treaty countries.
4	Does not apply to compensation for research work primarily for private benefit.
5	Grant must be from a nonprofit organization. In many cases, the exemption also applies to amounts from either the U.S. or foreign government. For Indonesia and the Netherlands, the exemption also applies if the amount is awarded under a technical assistance program entered into by the United States or the foreign government, or its political subdivisions or local authorities.

Exhibit 3.22.3-1 (Cont. 36) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

No	Footnotes to Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties
6	Reimbursed expenses are not taken into account in figuring any maximum compensation to which the exemption applies. For Japan and Trinidad and Tobago, only reimbursed travel expenses are disregarded in figuring the maximum compensation.
7	Exemption does not apply to the extent income is attributable to the recipient's fixed U.S. base. For residents of Korea and Norway, the fixed base must be maintained for more than 182 days (for Norway, 30 days in the case of the exploration or exploitation of the seabed and sub-soil and their natural resources); for residents of Morocco, the fixed base must be maintained for more than 89 days.
8	Does not apply to fees paid to a director of a U.S. corporation.
9	Does not apply to compensation for research work for other than the U.S. educational institution (or, for Italy, a medical facility that is primarily publicly funded) involved.
10	Applies to any additional period that a full-time student needs to complete the educational requirements as a candidate for a postgraduate or professional degree from a recognized educational institution.
11	Applies only to full-time student or trainee.
12	Fees paid to a resident of the treaty country for services performed in the United States as a director of a U.S. corporation are subject to U.S. tax.
13	Exemption does not apply if, during the immediately preceding period, such individual claimed the benefits of Article 23(1).
14	Does not apply to compensation paid to public entertainers that is more than \$100 a day.
15	Does not apply to payments from the National Institutes of Health under its Visiting Associate Program and Visiting Scientist Program.
16	Exemption applies only if the compensation is subject to tax in the country of residence.
17	The exemption does not apply if the employee's compensation is borne by a permanent establishment (or in some cases a fixed base) that the employer has in the United States.
18	The exemption also applies if the employer is a permanent establishment in the treaty country but is not a resident of the treaty country.
19	Applies also to a participant in a program sponsored by the U.S. government or an international organization.
20	The exemption is also extended to journalists and correspondents who are temporarily in the U.S. for periods not longer than 2 years and who receive compensation from abroad.
21	Also exempt are amounts of up to \$10,000 received from U.S. sources to provide ordinary living expenses. For students, the amount will be less than \$10,000, determined on a case by case basis.

Exhibit 3.22.3-1 (Cont. 37) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

No	Footnotes to Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties
22	Withholding may be required if the factors on which the treaty exemption is based may not be determinable until after the close of the tax year. Athletes and entertainers may be able to enter into a central withholding agreement with the IRS for reduced withholding provided certain requirements are met.
23	A student or trainee may choose to be treated as a U.S. resident for tax purposes. If the choice is made, it may not be changed without the consent of the U.S. competent authority.
24	Does not apply to amounts received in excess of reasonable fees payable to all directors of the company for attending meetings in the United States.
25	Exemption does not apply if gross receipts (including reimbursements) exceed this amount.
26	Exemption does not apply if net income exceeds this amount.
27	Exemption does not apply to payments borne by a permanent establishment in the United States or paid by a U.S. citizen or resident or the federal, state, or local government.
28	Exemption does not apply if compensation (or gross income for the Philippines and Romania) exceeds this amount.
29	The exemption applies only to income from activities performed under special cultural exchange programs agreed to by the U.S. and Chinese governments.
30	Exemption does not apply if gross receipts (or compensation for Portugal and Venezuela), including reimbursements, exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.
31	The 5-year limit pertains only to training or research.
32	Compensation from employment directly connected with a place of business that is not a permanent establishment is exempt if the alien is present in the United States for a period not exceeding 12 consecutive months. Compensation for technical services directly connected with the application of a right or property giving rise to a royalty is exempt if the services are provided as part of a contract granting the use of the right or property.
33	Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 21.
34	Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22.
35	Exemption does not apply if the individual either (a) claimed the benefit of Article 21(5) during a previous visit, or (b) during the immediately preceding period, claimed the benefit of Article 21(1), (2), or (3).
36	Exemption applies only to compensation for personal services performed in connection with, or incidental to, the individual's study, research, or training.
37	If the compensation exceeds \$400 per day, the entertainer may be taxed on the full amount. If the individual receives a fixed amount for more than one performance, the amount is prorated over the number of days the individual performs the services (including rehearsals).

Exhibit 3.22.3-1 (Cont. 38) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

No	Footnotes to Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties
38	Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 22(1).
39	Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 24(1).
40	The combined benefit for teaching cannot exceed 5 years.
41	Exemption does not apply if, during the immediately preceding period, the individual claimed the benefits of Article 18(1).
42	Exemption does not apply if the individual either (a) previously claimed the benefit of this Article, or (b) during the immediately preceding period, claimed the benefit of Article 23. The benefits under Articles 22 and 23 cannot be claimed at the same time.
43	The combined period of benefits under Articles 20 and 21(1) cannot exceed 5 years.
44	Exemption does not apply if the individual previously claimed the benefit of this Article.
45	The time limit pertains only to an apprentice or business trainee.
46	Exemption does not apply if gross receipts exceed this amount.
47	Fees paid to a resident of the treaty country for services as a director of a U.S. corporation are subject to U.S. tax, unless the services are performed in the country of residence.
48	Exemption does not apply if gross receipts exceed this amount. Income is fully exempt if visit to the United States is substantially supported by public funds of the treaty country or its political subdivisions or local authorities.
49	A \$10,000 limit applies if the expense is borne by a permanent establishment or a fixed base in the United States. Exemption does not apply if the recipient maintains a permanent establishment in the U.S. with which the income is effectively connected.
50	This provision does not apply if these activities are substantially supported by a nonprofit organization or by public funds of the treaty country or its political subdivisions or local authorities. For Indonesia and the Philippines, the competent authority of the sending state must certify that the visit qualifies.
51	Exemption does not apply if gross receipts, including reimbursements, exceed this amount during the year. Income is fully exempt if visit is wholly or mainly supported by public funds of one or both of the treaty countries or their political subdivisions or local authorities.
52	Exemption applies to a business apprentice (trainee) only for a period not exceeding 1 year (2 years for Belgium and Bulgaria) from the date of arrival in the United States.
53	Treated as business profits under Article 7 (VII) of the treaty.
54	Employment with a team which participates in a league with regularly scheduled games in both countries is covered under the provisions for dependent personal services.
55	Exemption does not apply if during the immediately preceding period, the individual claimed the benefit of Article 20(2), (3), or (4).

Exhibit 3.22.3-1 (Cont. 39) (01-01-2026)**Tax Treaty Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties**

No	Footnotes to Table 2. Compensation for Personal Services Performed in United States Exempt from U.S. Income Tax Under Income Tax Treaties
56	Labor or personal services performed in connection with the exploration or exploitation of the seabed and sub-soil and their natural resources is fully exempt for a period of 60 days in the tax year.
57	Remuneration for employment exercised aboard a ship or aircraft operated in international traffic by a resident of a contracting State may be taxed in that State. Canada may tax the income from employment if the income is derived by a resident of Canada and the ship or aircraft is operated by a resident of Canada. If operated by a Luxembourg resident and Luxembourg fails to tax the income, such income shall be taxed in the State of which the employee is a resident. The income may be taxed in Tunisia only if the ship or aircraft is operated by an enterprise that is managed and controlled in Tunisia.
58	Remuneration derived by a resident of a contracting State in respect of an employment as a member of the regular compliment of a ship or aircraft operated in international traffic may only be taxed in that State.
59	Income from personal services performed by a resident of one contracting State as an employee aboard ships or aircraft operated by a resident of the other contracting State in international traffic may be taxed by that other contracting State if the employee is a member of the regular compliment of the ship or aircraft.
60	The test does not apply if the entertainer is a resident of the one contracting State and is present in the other Contracting State pursuant to a specific arrangement agreed to by the contracting States under a Cultural Relations Agreement dated December 15, 1972.
61	The U.S.-U.S.S.R. Income Tax Treaty, signed June 20, 1973, applies to the countries of Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.

Exhibit 3.22.3-2 (11-19-2014)**Exempt Countries for Government Service Employees**

Mission	Article	Government salary exempt from US tax?
Armenia (USSR)	VI(1)(a)	Yes, if citizen of paying state
Australia	19	Yes, if citizen of paying state
Austria	19	Yes, if citizen of paying state
Azerbaijan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Bangladesh	20	Yes
Barbados	19	Yes, if citizen of paying state
Belarus (USSR)	VI(1)(a)	Yes, if citizen of paying state
Belgium 1	18	Yes
Bulgaria	18	Yes
Canada	XIX	Yes, if citizen of paying state
China	18	Yes
Cyprus	22	Yes, if citizen of paying state
Czech Republic	20	Yes, if citizen of paying state
Denmark	19	Yes
Egypt	21	Yes, if citizen of paying state
Estonia	19	Yes
Finland	19	Yes
France	19	Yes
Georgia (USSR)	VI(1)(a)	Yes, if citizen of paying state
Germany	19	Yes
Greece	XI	Yes
Hungary	16	Yes
Iceland	18	Yes
India	19	Yes
Indonesia	18	Yes
Ireland	19	Yes
Israel	22	Yes, if citizen of paying state
Italy	19	Yes
Jamaica	20	Yes

Exhibit 3.22.3-2 (Cont. 1) (11-19-2014)**Exempt Countries for Government Service Employees**

Mission	Article	Government salary exempt from US tax?
Japan	18	Yes
Kazakhstan	17	Yes
Korea	22	Yes, if citizen of paying state
Kyrgyzstan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Latvia	19	Yes
Lithuania	19	Yes
Luxembourg	20	Yes
Malta	19	Yes
Mexico	20	Yes
Moldova (USSR)	VI(1)(a)	Yes, if citizen of paying state
Morocco	17	Yes, if citizen of paying state
Netherlands	20	Yes
New Zealand	19	Yes
Norway	17	Yes, if citizen of paying state
Pakistan	IX	Yes, if citizen of paying state
Philippines	20	Yes, if citizen of paying state
Poland	19	Yes, if citizen of paying state
Portugal	21	Yes
Romania	18	Yes, if citizen of paying state
Russia	16	Yes
Slovak Republic	20	Yes, if citizen of paying state
Slovenia	19	Yes
South Africa	19	Yes
Spain	21	Yes
Sri Lanka	20	Yes, if citizen of paying state
Sweden	20	Yes
Switzerland	19	Yes
Tajikistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Thailand	21	Yes
Trinidad & Tobago	20	Yes, if citizen of paying state

Exhibit 3.22.3-2 (Cont. 2) (11-19-2014)**Exempt Countries for Government Service Employees**

Mission	Article	Government salary exempt from US tax?
Tunisia	19	Yes, if citizen of paying state
Turkey	19	Yes
Turkmenistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Ukraine	18	Yes
United Kingdom	19	Yes
Uzbekistan (USSR)	VI(1)(a)	Yes, if citizen of paying state
Venezuela	20	Yes

Exhibit 3.22.3-3 (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

This table lists the income tax rates on income other than personal service income. The income code numbers shown in this table are the same as the income codes on TY 2020 Form 1042-S. See IRM 3.22.3.4 for cross reference of income codes in prior years. Use this table and the footnote references to verify tax treaty claims.

Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties

Income Code		1	6	7	15	10	10	10	11	12
Name	Code	Interest Paid by U.S. Obligors - General ^{bbb}	Dividends Paid by U.S. Corporations - General ^a	Dividends Qualifying for Direct Dividend Rate ^{a,b,aaa}	Pensions and Annuities ^d	Royalties Industrial Equipment	Know-How/ Other Industrial Royalties	Royalties Patents	Royalties Film & TV	Royalties Copy-rights
Armenia (see Note below)	AM	0 ⁿ	30	30	30	0	0	0	0	0
Australia	AS	10 ^{g,ji,nn}	15 ^{mm}	5 ^{mm,oo}	0	n/a ^u	5	5	5	5
Austria	AU	0 ^{g,ji,ss}	15 ^w	5 ^w	0	n/a ^u	0 ^{ss}	0 ^{ss}	10 ^{ss}	0 ^{ss}
Azerbaijan (see Note below)	AJ	0 ⁿ	30	30	30	0	0	0	0	0
Bangladesh	BG	10 ^{g,bb,ji}	15 ^{mm}	10 ^{mm}	0 ^{f,q}	n/a ^u	10	10	10	10
Barbados	BB	5 ^{rr,z}	15 ^{w,rr}	5 ^{w,rr}	0 ^f	n/a ^{u,rr}	5 ^{rr}	5 ^{rr}	5 ^{rr}	5 ^{rr}
Belarus (see Note below)	BO	0 ⁿ	30	30	30	0	0	0	0	0
Belgium	BE	0 ^{g,ji,ss}	15 ^{dd,mm}	5 ^{dd,mm,oo}	0 ^f	n/a ^u	0 ^{ss}	0 ^{ss}	0 ^{ss}	0 ^{ss}
Bulgaria	BU	5 ^{g,dd,ji,z}	10 ^{dd,mm}	5 ^{dd,mm}	0 ^f	n/a ^u	5	5	5	5
Canada	CA	0 ^{g,ji}	15 ^{mm}	5 ^{mm}	15 ⁱⁱ	10	0	0	10	0
China, People's Rep. of	CH	10 ^z	10	10	0 ^t	7 ^v	10	10	10	10
Comm. Of Independent States (see Note below)		0 ⁿ	30	30	30	0	0	0	0	0
Cyprus ^{bbb}	CY	10 ^z	15	5	0 ^f	n/a ^u	0	0	0	0
Czech Republic	EZ	0 ^g	15 ^w	5 ^w	0 ^f	10	10	10	0	0
Denmark	DA	0 ^{g,ji}	15 ^{dd,mm}	5 ^{dd,mm,oo}	30 ^{c,t}	n/a ^u	0	0	0	0
Egypt	EG	15 ^z	15	5	0 ^f	n/a ^u	30 ^u	15	n/a ^u	15
Estonia	EN	10 ^{g,ji,z}	15 ^w	5 ^w	0 ^f	5	10	10	10	10
Finland	FI	0 ^{g,ji}	15 ^{dd,mm}	5 ^{dd,mm,oo}	0 ^f	n/a ^u	0	0	0	0
France	FR	0 ^{g,ji,ss}	15 ^{mm}	5 ^{mm,oo,ss}	30 ^t	n/a ^u	0 ^{ss}	0 ^{ss}	0 ^{ss}	0 ^{ss}
Georgia (see Note below)	GG	0 ⁿ	30	30	30	0	0	0	0	0
Germany	GM	0 ^{g,ji}	15 ^{dd,mm}	5 ^{dd,mm,oo}	0 ^f	n/a ^u	0	0	0	0

Exhibit 3.22.3-3 (Cont. 1) (11-27-2020)

Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties

Income Code		1	6	7	15	10	10	10	11	12
Name	Code	Interest Paid by U.S. Obligors - General ^{bbb}	Dividends Paid by U.S. Corporations - General ^a	Dividends Qualifying for Direct Dividend Rate ^{a,b,aaa}	Pensions and Annuities ^d	Royalties Industrial Equipment	Know-How/Other Industrial Royalties	Royalties Patents	Royalties Film & TV	Royalties Copy-rights
Greece	GR	0 ^r	30	30	0	0	0	0	30	0
Hungary	HU	0	15	5	0 ^t	n/a ^u	0	0	0	0
Iceland	IC	0 ^{g,ij,ss}	15 ^{dd,mm}	5 ^{dd,mm,ss}	0	n/a ^u	5 ^{i,ss}	0 ^{ss}	5 ^{ss}	0 ^{ss}
India	IN	15 ^z	25 ^w	15 ^w	0 ^{f,ii}	10 ^x	15 ^x	15 ^x	15 ^x	15 ^x
Indonesia	ID	10 ^z	15	10	15 ^q	10	10	10	10	10
Ireland ^{bbb}	EI	0 ^{g,ij,ss}	15 ^{mm}	5 ^{mm,ss}	0 ^f	n/a ^u	0 ^{ss}	0 ^{ss}	0 ^{ss}	0 ^{ss}
Israel ^{bbb}	IS	17 ^{1z} ₂	25 ^w	12 ^{1w} ₂	0 ^f	n/a ^u	15 ^u	15	10	10
Italy	IT	10 ^{g,h}	15 ^{mm}	5 ^{mm}	0 ^{f,ii}	5 ^{tt}	8	8	8	0
Jamaica ^{bbb}	JM	12 ^{1z} ₂	15	10	0 ^{f,p}	n/a ^u	10	10	10	10
Japan ^{bbb}	JA	10 ^{e,g,dd}	10 ^{dd,mm}	5 ^{dd,mm,oo}	0	n/a ^u	0	0	0	0
Kazakhstan	KZ	10 ^{g, z}	15 ^{ff}	5 ^{ff}	0 ^f	10 ^{uu}	10	10	10	10
Korea, South	KS	12 ^z	15	10	0 ^f	n/a ^u	15	15	10	10
Kyrgyzstan (see Note below)	KG	0 ⁿ	30	30	30	0	0	0	0	0
Latvia	LG	10 ^{g,ij,z}	15 ^w	5 ^w	0 ^f	5	10	10	10	10
Lithuania	LH	10 ^{g,z,ij}	15 ^w	5 ^w	0 ^f	5	10	10	10	10
Luxembourg	LU	0 ^{g,ij}	15 ^w	5 ^w	0	n/a ^u	0 ^{ss}	0 ^{ss}	0 ^{ss}	0 ^{ss}
Malta ^{bbb}	MT	10 ^{g,ij,ss,z}	15 ^{dd,mm}	5 ^{dd,mm,ss}	0 ^f	n/a ^u	10 ^{ss}	10 ^{ss}	10 ^{ss}	10 ^{ss}
Mexico	MX	15 ^{g,dd,hh}	10 ^{dd,mm}	5 ^{dd,mm,oo}	0	10	10	10	10	10
Moldova (see Note below)	MD	0 ⁿ	30	30	30	0	0	0	0	0
Morocco ^{bbb}	MO	15 ^z	15	10	0 ^f	n/a ^u	10	10	10	10
Netherlands	NL	0 ^{m,ss}	15 ^{dd,pp,}	5 ^{oo,pp}	0 ^{f,ii}	n/a ^u	0 ^{ss}	0 ^{ss}	0 ^{ss}	0 ^{ss}
New Zealand	NZ	10 ^{g,ij,z}	15 ^{mm}	5 ^{mm,oo}	0	n/a ^u	5	5	5	5
Norway	NO	0 ^s	15	15	0 ^f	n/a ^u	0	0	n/a ^u	0
Pakistan	PK	30	30	15	0 ^j	n/a ^u	0	0	n/a ^u	0
Philippines	RP	15 ^z	25	20	30 ^q	n/a ^u	15 ^{vv}	15 ^{vv}	15 ^{vv}	15 ^{vv}
Poland	PL	0	15	5	30	n/a ^u	10	10	10	10
Portugal	PO	10 ^{g,ij,z}	15 ^w	5 ^w	0 ^f	10	10	10	10	10
Romania	RO	10 ^z	10	10	0 ^f	n/a ^u	15	15	10	10
Russia	RS	0 ^g	10 ^{ff}	5 ^{ff}	0 ^t	n/a ^u	0	0	0	0

Exhibit 3.22.3-3 (Cont. 2) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Income Code		1	6	7	15	10	10	10	11	12
Name	Code	Interest Paid by U.S. Obligors - General ^{bbb}	Dividends Paid by U.S. Corporations - General ^a	Dividends Qualifying for Direct Dividend Rate ^{a,b,aaa}	Pensions and Annuities ^d	Royalties Industrial Equipment	Know-How/ Other Industrial Royalties	Royalties Patents	Royalties Film & TV	Royalties Copy-rights
Slovak Republic	LO	0 ^g	15 ^w	5 ^w	0 ^f	10	10	10	0	0
Slovenia	SI	5 ^{g,z,ij}	15 ^{mm}	5 ^{mm}	0 ^f	n/a ^u	5	5	5	5
South Africa	SF	0 ^{g,ij}	15 ^w	5 ^w	15 ⁱ	n/a ^u	0	0	0	0
Spain	SP	10 ^z	15 ^w	10 ^w	0 ^f	8	10	10	8	5 ^{aa}
Sri Lanka	CE	10 ^{g,ij,z}	15 ^{gg}	15 ^{gg}	0 ^t	5 ^y	10	10	10	10
Sweden	SW	0 ^{g,ij}	15 ^{dd,mm}	5 ^{dd,mm,oo}	0	n/a ^u	0	0	0	0
Switzerland	SZ	0 ^{g,ij}	15 ^w	5 ^w	0	n/a ^u	0	0	n/a ^u	0
Tajikistan (see Note below)	TI	0 ⁿ	30	30	30	0	0	0	0	0
Thailand ^{bbb}	TH	15 ^{g,z}	15 ^w	10 ^w	0 ^f	8	15	15	5	5
Trinidad & Tobago	TD	30 ^z	30	30	0 ^f	n/a ^u	15	15	n/a ^u	0 ^{cc}
Tunisia	TS	15 ^z	20 ^w	14 ^w	0 ^f	10 ^{xx}	15	15	15	15
Turkey	TU	15 ^{g,z,ij}	20 ^w	15 ^w	0	5	10	10	10	10
Turkmenistan (see Note below)	TX	0 ⁿ	30	30	30	0	0	0	0	0
Ukraine	UP	0 ^g	15 ^{ff}	5 ^{ff}	0	n/a ^u	10	10	10	10
United Kingdom ^{bbb}	UK	0 ^{g,ij}	15 ^{mm}	5 ^{mm,oo}	0 ^{f,ii}	n/a ^u	0	0	0	0
Uzbekistan (see Note below)	UZ	0 ⁿ	30	30	30	0	0	0	0	0
Venezuela	VE	10 ^{g,ij,z,ii}	15 ^{mm}	5 ^{mm}	0 ^t	5	10	10	10	10
Other Countries		30	30	30	30	30	30	30	30	30

Note: Those countries to which the U.S. - U.S.S.R income tax treaty still applies: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Uzbekistan.

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
a	No U.S. tax is imposed on a percentage of any dividend paid by a U.S. corporation in existence on January 1, 2011, that received at least 80% of its gross income from an active foreign business for the 3 year period before the dividend is declared. (See sections 871(i)(2)(B) and 881(d) of the Internal Revenue Code.)

Exhibit 3.22.3-3 (Cont. 3) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
b	The direct dividend rate generally applies to dividends paid by a subsidiary to a foreign parent corporation that owns the required percentage of the voting stock ownership, generally 10%. In some cases, the income of the subsidiary must meet certain requirements (e.g., a certain percentage of its total income must consist of income other than dividends and interest).
c	In Denmark, the rate on U.S. source pension distributions is 0% if, since before March 31, 2000, the recipient: (i) has been receiving U.S. source pension distributions, and (ii) was, and continues to be, a non-U.S. person and a resident of Denmark.
d	The rate applies to both periodic and lump-sum payments unless the treaty (or accompanying technical explanation to a treaty) provides for a different rate for lump-sum payments. See footnote ii below for more information about which treaties provide a different rate for lump-sum payments. In some cases, this rate does not apply to pensions paid by a State or political subdivision or local authority thereof in respect of government services, which may be addressed in a separate treaty article. See specific treaty for rules related to distributions from government pensions.
e	In Japan, interest is exempt if (a) paid to certain financial institutions; (b) paid on indebtedness from the sale on credit of equipment or merchandise; (c) paid to Japan or its political subdivision, its central bank, and certain other wholly-owned government entities; or (d) paid to a pension fund if not derived from the carrying on of a business by the pension fund.
f	Includes alimony.
g	Exemption or reduced rate does not apply to an excess inclusion for a residual interest in a real estate mortgage investment conduit (REMIC).
h	In Italy, interest paid or accrued on the sale of goods, merchandise, or services between enterprises is exempt. Interest paid or accrued on the sale on credit of industrial, commercial, or scientific property is exempt. In addition, interest paid to a qualified governmental entity that holds, directly or indirectly, less than 25 percent of the capital of the person paying the interest, or paid with respect to debt obligations guaranteed or insured by a qualified governmental entity of Italy or the U.S. and beneficially owned by a resident of Italy is exempt.
i	In Iceland, the rate is 5% for trademarks and any information concerning industrial, commercial, or scientific experience provided in connection with a rental or franchise agreement that includes rights to use a trademark.
j	In Pakistan, the exemption is not available when the distribution is from a fund under an employees' pension or annuity plan, if contributions to such plan are deductible under U.S. tax laws in determining taxable income of the employer.
k	[reserved]
l	For South Africa, the reduced rate applies to pension distributions if the distribution is not subject to a penalty for early withdrawal. Annuities are not taxable if purchased while the annuitant was not a resident of the United States.
m	[reserved]

Exhibit 3.22.3-3 (Cont. 4) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
n	The exemption applies only to interest on credits, loans, and other indebtedness connected with the financing of trade between the United States and the C.I.S. member. It does not include interest from the conduct of a general banking business.
o	[reserved]
p	For Jamaica, the exemption does not apply if the applicable past employment was performed in the United States while such person was a resident of the United States, or if the annuity was purchased in the United States while such person was a resident of the United States.
q	Annuities paid in return for other than the recipient's services are exempt. For Bangladesh, exemption does not apply to annuity received for services rendered.
r	Exemption does not apply to such interest paid by a U.S. corporation to a Greek corporation controlling, directly or indirectly, more than 50 percent of the entire voting power in the paying corporation.
s	In Norway, the rate is 0% so long as Norway continues to exempt from tax interest derived within Norway (not attributable to a permanent establishment in Norway) by persons not resident in Norway.
t	The provision does not apply to annuities. For Denmark, annuities are exempt from U.S. tax.
u	If enterprise earns income from leasing of equipment in the conduct of a trade or business, covered by Business Profits article (net tax). If passive income from the leasing of equipment, and not in Royalty article, covered by the Other Income article, if any. In Pakistan payment for TV broadcasting rights are covered by the Royalty article but not rental income from motion picture films.
v	In China, 10% rate of tax imposed on 70% of gross royalties for rentals of industrial, commercial, or scientific equipment.
w	The rate in column 6 applies to dividends paid by a regulated investment company (RIC) or a real estate investment trust (REIT). However, that rate applies to dividends paid by a REIT only if the beneficial owner of the dividends is an individual holding less than a 10% interest (25% in the case of Portugal, Spain, Thailand, and Tunisia) in the REIT.
x	In India, the rate also applies to fees for included services. See Article 12(4) of the U.S.-India treaty and the May 15, 1989 Memorandum of Understanding Concerning Fees for Included Services in Article 12.
y	In Sri Lanka, the rate is 5% for the rental of tangible personal property.
z	An exemption from tax or a reduced rate of tax may apply to interest that is paid to the government of a Contracting State or a political subdivision or local authority thereof. An exemption or reduced rate may also apply to certain other types of interest, including interest paid to certain banks or other financial institutions, interest derived on loans guaranteed or insured by the government of a Contracting State, and interest arising in connection with commercial credit for goods or services. Please refer to the interest article of the relevant treaty for specific information.

Exhibit 3.22.3-3 (Cont. 5) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
aa	In Spain, the rate is 8% for copyrights of scientific work.
bb	In Bangladesh, the rate is 5% for interest (a) beneficially owned by a bank or other financial institution (including an insurance company) or (b) paid due to a sale on credit of any industrial, commercial, or scientific equipment, or of any merchandise to an enterprise. The rate is 0% for interest that is (a) derived by the government of Bangladesh, or an instrumentality thereof, or (b) on a debt obligation guaranteed or insured by Bangladesh or an instrumentality thereof.
cc	In Trinidad & Tobago, the rate is 15% for copyrights of scientific work.
dd	Amounts paid to certain pension funds that are not derived from the carrying on of a business, directly or indirectly, by the fund are exempt. This includes dividends paid by a REIT only if the conditions in footnote mm are met. For Sweden, to be entitled to the exemption, the pension fund must not sell or make a contract to sell the holding from which the dividend is derived within 2 months of the date the pension fund acquired the holding. The United States has competent authority arrangements (MAP) with some treaty jurisdictions (e.g. Netherlands and Switzerland) that describe which pension funds are eligible for the exemption. See the Competent Authority Arrangements page on IRS.gov.
ee	[reserved]
ff	The rate in column 6 applies to dividends paid by a regulated investment company (RIC). Dividends paid by a real estate investment trust (REIT) are subject to a 30% rate.
gg	In Sri Lanka, the rate applies to dividends paid by a real estate investment trust (REIT) only if the beneficial owner of the dividends is (a) an individual holding less than a 10% interest in the REIT, (b) a person holding not more than 5% of any class of the REIT's stock and the dividends are paid on stock that is publicly traded, or (c) a person holding not more than a 10% interest in the REIT and the REIT is diversified.
hh	The rate is 4.9% for interest derived from (1) loans granted by banks and insurance companies and (2) bonds or securities that are regularly and substantially traded on a recognized securities market. The rate is 10% for interest not described in the preceding sentence and paid (i) by banks or (ii) by the buyer of machinery and equipment to the seller due to a sale on credit. There is a full exemption if the beneficial owner is Mexico, a political subdivision or local authority; is a trust, company, or other organization constituted and operated exclusively to administer or provide benefits under one or more plans established to provide pension, retirement or other employee benefits and its income is generally exempt from tax in Mexico, or if the interest arises in the United States and is paid in respect of a loan for a period of not less than three years made, guaranteed, or insured, or a credit for such period extended, guaranteed, or insured by the Banco Nacional de Comercio Exterior, S.N.C. or the Banco Nacional Financiera, S.N.C.

Exhibit 3.22.3-3 (Cont. 6) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
ii	In Canada, the 15% rate does not apply to a lump-sum payment. In Italy, the exemption does not apply to lump-sum or severance payments received if the applicable past employment was performed in the United States while such person was a resident of the United States. In the Netherlands, the exemption does not apply if (1) the recipient was a U.S. resident during the 5-year period before the date of payment, (2) the amount was paid for employment performed in the United States, and (3) the amount is not a periodic payment, or is a lump-sum payment in lieu of a right to receive an annuity. In the United Kingdom, the exemption does not apply to a lump-sum distribution derived from a U.S. pension plan. In India, the exemption does not apply to a lump-sum payment.
jj	The rate is 15% (10% for Bulgaria; 30% for Austria, Germany, and Switzerland) for contingent interest that does not qualify as portfolio interest. In general, contingent interest is interest that is determined with reference to (a) receipts, sales, income, profits or other cash flow of the debtor or a related person, (b) any change in the value of any property of the debtor or a related person, or (c) any dividend, partnership distribution, or similar payment made by the debtor or related person. For Sweden and Germany, contingent interest is covered by the dividends article of the treaty.
kk	[reserved]
ll	In Venezuela, the rate is 4.95% if the interest is beneficially owned by a financial institution (including an insurance company).
mm	The rate in column 6 applies to dividends paid by a regulated investment company (RIC) or real estate investment trust (REIT). However, that rate applies to dividends paid by a REIT only if the beneficial owner of the dividends is (a) an individual (or pension fund, in some cases) holding not more than a 10% interest in the REIT, (b) a person holding not more than 5% of any class of the REIT's stock and the dividends are paid on stock that is publicly traded, or (c) a person holding not more than a 10% interest in the REIT and the REIT is diversified.
nn	Interest received by a financial institution is exempt, as is interest received by the government of Australia, a political or administrative sub-division or a local authority thereof, or by any other body exercising governmental functions in Australia, or by a bank performing central banking functions in Australia.
oo	Dividends received from an 80% owned corporate subsidiary are exempt if certain ownership period and limitation on benefits conditions are met by the recipient. For Japan, greater than 50% ownership is necessary. See specific treaty article to determine other conditions.
pp	The rate in column 6 applies to dividends paid by a regulated investment company (RIC) or real estate investment trust (REIT). However, that rate applies to dividends paid by a REIT only if the beneficial owner of the dividends is (a) an individual holding not more than a 25% interest in the REIT, (b) a person holding not more than 5% of any class of the REIT's stock and the dividends are paid on stock that is publicly traded, or (c) a person holding not more than a 10% interest in the REIT and the REIT is diversified, or (d) a Dutch belegginginstelling.

Exhibit 3.22.3-3 (Cont. 7) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
qq	Applies to 85% of the social security payments received from the U.S. Government. The effective rate on the total social security payments received is 85% of the rate shown in the table. These rates also apply to the social security equivalent portion of tier 1 railroad retirement benefits received from the U.S. The remainder of tier 1, all of tier 2, dual, and supplemental railroad retirement benefits are taxed as shown in the "Pensions and Annuities" column.
rr	In Barbados, no benefits for interest, dividends or royalties are permitted if recipient is subject to a special tax regime or administrative practice that provides for an effective tax rate substantially lower than the generally applicable tax rate for companies or individuals as appropriate.
ss	15% rate applies if income is attributable to a permanent establishment which that enterprise has in a third state, if the tax that is actually paid with respect to such income in the third state is less than 60 percent of the tax that would have been payable in the treaty country if the income were earned in by the enterprise and were not attributable to the permanent establishment in the third state, unless derived in the active conduct of a trade or business in that third state.
tt	Unless the treaty, technical explanation to the treaty, or any relevant competent authority arrangement provides otherwise, the copyright tax rate provided in column 12 applies to royalties for computer software. In Italy, for example, royalties for computer software are subject to the same rate as payments for the right to use industrial equipment.
uu	In Kazakhstan, the beneficial owner may elect to compute tax on a net basis as if attributable to a U.S. permanent establishment.
vv	Note that Philippine's tax rate differs from the U.S. tax rate.
xx	In Tunisia, payments for the use of ships, aircraft, or containers used in international traffic are not included.
yy	In general, royalties include gains derived from the alienation of property covered by the Royalty article to the extent such gains are contingent on the productivity, use, or disposition of such property.
zz	[reserved]
aaa	The branch profits tax applies only to the dividend equivalent amount of a foreign corporation that has business profits attributable to a permanent establishment in the United States or is otherwise taxed on a net basis under a treaty (e.g., income from real property in the United States). The rate is generally the same rate as the direct dividend rate (including an exemption if direct dividends qualify for an exemption), provided the treaty has entered into effect after January 1, 1987. If a new treaty has not entered into force, then the rate is 0 (Cyprus, China, Egypt, Greece, Hungary, Jamaica, Korea, Morocco, Norway, Pakistan, Poland, Romania, and the Philippines), except for Trinidad and Tobago— 10%, and countries to which the U.S.S.R. treaty applies—30% (no direct dividend rate).

Exhibit 3.22.3-3 (Cont. 8) (11-27-2020)**Treaty Table 1, Tax Rates on Income Other than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties**

Footnote	Footnotes to Table 1. Tax Rates on Income Other Than Personal Service Income Under Chapter 3, Internal Revenue Code, and Income Tax Treaties
bbb	If an individual is a resident but not a domiciliary of the country, and income or gain subject to tax by reference to the amount remitted to or received in that country and not by reference to the full amount thereof, then the exemption or reduced rates for items provided for in this table is only available for the amount remitted to that country.
ccc	Branch interest (section 884(f)(1)(A)) paid by the U.S. trade or business of a foreign corporation is treated as if it were paid by a domestic corporation to the actual lender and is subject to chapter 3 withholding (income code 4). For treaty purposes, interest borne by a permanent establishment and paid to a resident of a treaty jurisdiction is taxable at the rate applicable to that payment as if had it been paid by a U.S. resident to such person. Alternatively, if a treaty specifically prevents imposition of tax on U.S. source interest paid by a foreign corporation to such resident, then the rate is 0. The tax rate on excess interest is the same as the general interest rate, but excess interest is a deemed payment by a domestic corporation to its foreign parent at the end of the year and is not a withholdable amount.

Exhibit 3.22.3-4 (01-01-2025)**Country and Post of Duty (POD) Codes**

Foreign Country Name	Post of Duty Code (POD)
Afghanistan	AF
Aland Islands	AX
Albania	AL
Algeria	AG
Andorra	AN
Angola	AO
Anguilla	AV
Antarctic Lands	FS
Antarctica	AY
Antigua	AC
Antigua and Barbuda	AC
Argentina	AR
Armenia	AM
Aruba	AA
Ashmore Island	AT
Ashmore and Cartier Islands	AT
Australia	AS
Austria	AU
Azerbaijan	AJ
Bahamas	BF
Bahrain	BA
Baker Island	FQ
Balearic Islands	SP
Bangladesh	BG
Barbados	BB
Barbuda	AC
Bassas da India	XX
Belarus	BO
Belgium	BE

Exhibit 3.22.3-4 (Cont. 1) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Belize	BH
Benin	BN
Bermuda	BD
Bhutan	BT
Bolivia	BL
Bonaire, Sint Eustatius and Saba	BQ
Bosnia-Herzegovina	BK
Botswana	BC
Bouvet Island	BV
Brazil	BR
British Indian Ocean Territory	IO
British Virgin Islands	VI
Brunei	BX
Bulgaria	BU
Burkina Faso	UV
Burma/Myanmar	BM
Burundi	BY
Caicos Islands	TK
Cambodia	CB
Cameroon	CM
Canada	CA
Cape Verde	CV
Cartier Island	AT
Cayman Islands	CJ
Central African Republic	CT
Chad	CD
Chile	CI
China	CH
Christmas Island	KT
Clipperton Islands	IP

Exhibit 3.22.3-4 (Cont. 2) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Cocos Island	CK
Columbia	CO
Comoros	CN
Congo, Republic of (Brazzaville)	CF
Congo, Democratic Republic of (Kinshasa)	CG
Cook Islands	CW
Coral Sea Islands Territory	CR
Costa Rica	CS
Cote d'Ivoire (Ivory Coast)	IV
Croatia	HR
Cuba	CU
Curacao	UC
Cyprus	CY
Czech Republic	EZ
Dem. People's Rep. of Korea (North)	KN
Dem. Rep. of Congo (Kinshasa)	CG
Denmark	DA
Djibouti	DJ
Dominica	DO
Dominican Republic	DR
East Timor	TT
Ecuador	EC
Egypt	EG
El Salvador	ES
Eleuthera Island	BF
Equatorial Guinea	EK
Eritrea	ER
Estonia	EN
Ethiopia	ET
Europa Island	EU

Exhibit 3.22.3-4 (Cont. 3) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Falkland Islands	FK
Faroe Islands	FO
Fiji	FJ
Finland	FI
France	FR
French Guiana	XX
French Polynesia	FP
French Southern and Antarctic Lands	FS
Futuna	WF
Gabon	GB
Gambia	GA
Georgia	GG
Germany	GM
Ghana	GH
Gibraltar	GI
Glorioso Islands	GO
Great Britain	UK
Greece	GR
Greenland	GL
Grenada	GJ
Grenadines	VC
Guatemala	GT
Guernsey	GK
Guinea	GV
Guinea-Bissau	PU
Guyana	GY
Haiti	HA
Heard Island and McDonald Island	HM
Holy See	VT
Honduras	HO

Exhibit 3.22.3-4 (Cont. 4) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Hong Kong	HK
Howland Island	HQ
Hungary	HU
Iceland	IC
India	IN
Indonesia	ID
Iran	IR
Iraq	IZ
Ireland	EI
Isle of Man	IM
Israel	IS
Italy	IT
Jamaica	JM
Jan Mayen	JN
Japan	JA
Jersey	JE
Johnston Atoll	JQ
Jordan	JO
Juan de Nova Island	JU
Kazakhstan	KZ
Kenya	KE
Kingman Reef	KQ
Kiribati	KR
Korea (North)	KN
Korea (South)	KS
Kosovo	KV
Kurile Islands	RS
Kuwait	KU
Kyrgyzstan	KG
Laos	LA

Exhibit 3.22.3-4 (Cont. 5) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Latvia	LG
Lebanon	LE
Lesotho	LT
Liberia	LI
Libya	LY
Liechtenstein	LS
Lithuania	LH
Luxembourg	LU
Macau	MC
Macedonia	MK
Madagascar	MA
Malawi	MI
Malaysia	MY
Maldives	MV
Mali	ML
Malta	MT
Martinique	MB
Marshall Islands	RM
Mauritania	MR
Mauritius	MP
Mayotte	MF
McDonald Island	HM
Mexico	MX
Micronesia	FM
Midway Islands	MQ
Miquelon	SB
Moldova	MD
Monaco	MN
Mongolia	MG
Montenegro	MJ

Exhibit 3.22.3-4 (Cont. 6) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Montserrat	MH
Morocco	MO
Mozambique	MZ
Myanmar/Burma	BM
Namibia	WA
Nauru	NR
Nepal	NP
Netherlands	NL
Nevis	SC
New Caledonia	NC
New Zealand	NZ
Nicaragua	NU
Niger	NG
Nigeria	NI
Niue	NE
Norfolk Island	NF
North Korea	KN
Norway	NO
Oman	MU
Other (country not identified elsewhere)	XX
Pakistan	PK
Palmyra Atoll	LQ
Panama	PM
Papua New Guinea	PP
Paracel Islands	PF
Paraguay	PA
Peru	PE
Philippines	RP
Pitcairn Islands	PC
Poland	PL

Exhibit 3.22.3-4 (Cont. 7) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Portugal	PO
Principe	TP
Qatar	QA
Redonda	VI
Republic of Korea (South)	KS
Republic of Singapore	SN
Reunion	RE
Romania	RO
Russia	RS
Rwanda	RW
Ryukyu Islands	JA
Saint Barthelemy	TB
Saint Martin	RN
Samoa	WS
San Marino	SM
Sao Tome and Principe	TP
Sarawak	MY
Saudi Arabia	SA
Senegal	SG
Serbia	RI
Seychelles	SE
Sierra Leone	SL
Singapore	SN
Sint Maarten	SD
Slovakia	LO
Slovenia	SI
Solomon Islands	BP
Somalia	SO
South Africa	SF
South Georgia Island	SX

Exhibit 3.22.3-4 (Cont. 8) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
South Korea	KS
South Sandwich Island	SX
South Sudan	SS
Spain	SP
Spratly Islands	PG
Sri Lanka	CE
St. Helena	SH
St. Kitts and Nevis	SC
St. Lucia	ST
St. Miquelon	SB
St. Pierre	SB
St. Pierre and Miquelon	SB
St. Vincent and Grenadines	VC
Sudan	SU
Suriname	NS
Svalbard	SV
Swaziland	WZ
Sweden	SW
Switzerland	SZ
Syria	SY
Taiwan	TW
Tajikistan	TI
Tanzania	TZ
Thailand	TH
The Bahamas	BF
The Gambia	GA
The Netherlands	NL
Timor-Leste	TT
Togo	TO
Tokelau	TL

Exhibit 3.22.3-4 (Cont. 9) (01-01-2025)
Country and Post of Duty (POD) Codes

Foreign Country Name	Post of Duty Code (POD)
Tonga	TN
Tortola	VI
Trinidad and Tobago	TD
Tromelin Island	TE
Tunisia	TS
Turkey	TU
Turkmenistan	TX
Turks and Caicos Islands	TK
Tuvalu	TV
Uganda	UG
Ukraine	UP
United Arab Emirates	AE
United Kingdom (including England, Northern Ireland, Scotland and Wales)	UK
Uruguay	UY
Uzbekistan	UZ
Vanuatu	NH
Vatican City	VT
Venezuela	VE
Vietnam	VM
Wake Island	WQ
Wallis and Futuna	WF
Windward Island	VC
Yemen	YM
Zambia	ZA
Zimbabwe	ZI
Other (country not identified elsewhere)	XX

Exhibit 3.22.3-5 (01-01-2020)**U.S. Territories - Zip Codes**

This table lists the zip codes of cities in U.S. territories. Although the Federated States of Micronesia, the Marshall Islands, and Palau are not U.S. territories, they are listed because they use the same addressing methods as U.S. states/territories.

Federated States of Micronesia (FM) City	ZIP Code
Chuuk	96942
Kosrae	96944
Pohnpei	96941
Yap	96943

Marshall Islands (MH) City	ZIP Code
Ebeye	96970
Majuro	96960

Palau (PW) City	ZIP Code
Koror	96940
Palau	96940

the Commonwealth of the Northern Mariana Islands (MP) City	ZIP Code
Capitol Hill	96950
Rota	96951
Saipan	96950
Tinian	96952

U.S. Virgin Islands (VI) City	ZIP Code
Charlotte Amalie	00802
Christiansted	00820
Cruz Bay	00830
Downtown	00840
Frederiksted	00840
Kingshill	00850
Saint Croix	00820
Saint John	00830

Exhibit 3.22.3-5 (Cont. 1) (01-01-2020)
U.S. Territories - Zip Codes

U.S. Virgin Islands (VI) City	ZIP Code
Saint Thomas	00805
Sunny Isle	00850
Veterans Annex	00820

Guam (GU) City	ZIP Code
Agana	96910
Inarajan	96917
Merizo	96916
Tamuning	96931
Umatac	96915
Yona	96915

Puerto Rico (PR) City	ZIP Code
Adjuntas	00601
Aquada	00602
Aquadilla	00603
Agnes Buenas	00703
Aguirre	00704
Aibonito	00705
Anasco	00610
Angeles	00611
Arecibo	00612
Arroyo	00714
Bajadero	00616
Barceloneta	00617
Barraquitas	00794
Barrio Obrero Station	00935
Bayamon	00956
Boqueron	00622
Cabo Rojo	00623
Caguas	00725

Exhibit 3.22.3-5 (Cont. 2) (01-01-2020)
U.S. Territories - Zip Codes

Puerto Rico (PR) City	ZIP Code
Camuy	00627
Canovanas	00729
Caparra Heights	00920
Carolina	00982
Catano	00962
Cayey	00736
Ceiba	00735
Cerro Gordon	00754
Ciales	00638
Cidra	00739
Coamo	00769
Comerio	00782
Condado	00907
Corozal	00783
Coto Laurel	00780
Culebra	00775
Dorado	00646
Ensenada	00647
Esperanza	00765
Fajardo	00738
Fernandez Juncos	00936
Florida	00650
Fort Buchanan	00934
Garrachales	00652
Guanica	00653
Guayama	00784
Guayanilla	00656
Guaynabo	00965
Gurabo	00778
Hatillo	00659
Hato Rey	00936

Exhibit 3.22.3-5 (Cont. 3) (01-01-2020)
U.S. Territories - Zip Codes

Puerto Rico (PR) City	ZIP Code
Harmingueros	00660
Humacao	00791
Isabela	00662
Jayuya	00664
Juana Diaz	00795
Juncos	00777
La Cumbre	00926
Lajas	00667
Laplata	00786
Lares	00669
Las Marias	00670
Las Piedras	00771
Levittown	00949
Loiza	00772
Loiza Street Station	00936
Loquillo	00773
Manati	00674
Maricao	00606
Maunabo	00707
Mayaguez	00680
Mercedita	00715
Minillas Center	00936
Moca	00676
Morovis	00687
Naguabo	00718
Narajito	00719
Orocovis	00720
Palmer	00721
Patillas	00723
Penuelas	00624
Ponce	00731

Exhibit 3.22.3-5 (Cont. 4) (01-01-2020)
U.S. Territories - Zip Codes

Puerto Rico (PR) City	ZIP Code
Puerta de Tierra	00936
Puerta Real	00740
Punta Santiago	00741
Quebradillas	00678
Ramey	00603
Rincon	00677
Rio Blanco	00744
Rio Grande	00721
Rio Piedras	00927
Rosario	00636
Sabana Grande	00637
Sabana Hoyos	00688
Sabana Seca	00952
Saint Just	00978
Salinas	00751
San Antonio	00690
San Francisco	00927
San German	00683
San Juan	00936
San Lorenzo	00754
San Sebastian	00685
Santa Isabel	00757
Sanrurce	00936
Toa Alta	00953
Toa Boa	00949
Trujillo Alto	00976
University	00936
Utuaado	00641
Vega Alta	00692
Vega Baja (box 1-9049)	00694
Vieques	00765

Exhibit 3.22.3-5 (Cont. 5) (01-01-2020)**U.S. Territories - Zip Codes**

Puerto Rico (PR) City	ZIP Code
Villalba	00766
Yabucoa	00767
Yauco	00698

Exhibit 3.22.3-6 (01-01-2015)**Province, State and Territory Abbreviations**

Australia State	Abbreviation
Australian Capital Territory	ACT
New South Wales	NSW
Northern Territory	NT
Queensland	QLD
South Australia	SA
Tasmania	TAS
Victoria	VIC
Western Australia	WA

Brazil State	Abbreviation
Acre	AC
Alagoas	AL
Amapa	AP
Amazonas	AM
Bahia	BA
Ceara	CE
Distrito Federal	DF
Esperito Santo	ES
Goiias	GO
Maranhao	MA
Mato Grosso	MT
Mato Grosso do Sul	MS
Minas Gerais	MG
Parana	PR
Paraiba	PB
Para	PA
Pernambuco	PE
Piaui	PI
Rio Grande do Norte	RN
Rio Grande do Sul	RS

Exhibit 3.22.3-6 (Cont. 1) (01-01-2015)
Province, State and Territory Abbreviations

Brazil State	Abbreviation
Rio de Janeiro	RJ
Rondonia	RO
Roraima	RR
Santa Catarina	SC
Sergipe	SE
Sao Paulo	SP
Tocantins	TO

Canada Province/Territory	Abbreviation
Alberta	AB
British Columbia	BC
Manitoba	MB
New Brunswick	NB
Newfoundland and Labrador	NL
Northwest Territories	NT
Nova Scotia	NS
Nunavut	NU
Ontario	ON
Prince Edward Island	PE
Quebec	QC
Saskatchewan	SK
Yukon	YT

Cuba Provincias	Abbreviation
Camaguey	CG
Ciego de Avila	CA
Cienfuegos	CF
Ciudad di La Habana	CH
Gramma (Bayamo)	GR
Guantanamo	GT
Holguin	HO

Exhibit 3.22.3-6 (Cont. 2) (01-01-2015)
Province, State and Territory Abbreviations

Cuba Provincias	Abbreviation
La Habana	HA
Matazas	MT
Municipio Especial Isla de la Juventud	IJ
Pinar del Rio	PR
Sancti Spiritus	SS
Santiago de Cuba	SC
(Victoria de) Las Tunas	LT
Villa Clara	VC

Italy Provincia	Abbreviation
Agrigento	AG
Alessandria	AL
Ancona	AN
Aosta/Aoste	AO
Arezzo	AR
Ascoli Piceno	AP
Asti	AT
Bari	BA
Belluna	BL
Benevento	BN
Bergamo	BG
Biella	BI
Bologna	BO
Bolzano	BZ
Brescia	BS
Brindisi	BR
Cagliari	CA
Caltanissetta	CL
Campobasso	CB
Caserta	CE
Catania	CT

Exhibit 3.22.3-6 (Cont. 3) (01-01-2015)**Province, State and Territory Abbreviations**

Italy Provincia	Abbreviation
Catanzaro	CZ
Chieti	CH
Como	CO
Cosenza	CS
Cremona	CZ
Crotone	KR
Cuneo	CN
Enna	EN
Ferrara	FE
Firenze	FI
Foggia	FG
Forli	FO
Frosinone	FR
Genova	GE
Gorizia	GO
Grosseto	GR
Imperia	IM
Isernia	IS
L'Aquila	AQ
La Spezia	SP
Latina	LT
Lecce	LE
Livorno	LI
Lodi	LO
Lucca	LU
Macerata	MC
Mantova	MN
Massa-Carrara	MS
Matera	MT
Messina	ME
Milano	MI

Exhibit 3.22.3-6 (Cont. 4) (01-01-2015)
Province, State and Territory Abbreviations

Italy Provincia	Abbreviation
Modena	MO
Napoli	NA
Novara	NO
Nuoro	NU
Oristano	OR
Padova	PD
Palermo	PA
Parma	PR
Pavia	PV
Perugia	PG
Pesaro-Urbino	PS
Pescara	PE
Piacenza	PC
Pisa	PI
Pistoia	PT
Pordenone	PN
Potenza	PZ
Prato	PO
Ragusa	RG
Ravenna	RA
Reggio de Calabria	RC
Reggio nell'Emilia	RE
Rieti	RI
Rimini	RN
Roma	RM
Rovigo	RO
Salerno	SA
Sassari	SS
Savona	SV
Siena	SI
Siracusa	SR

Exhibit 3.22.3-6 (Cont. 5) (01-01-2015)
Province, State and Territory Abbreviations

Italy Provincia	Abbreviation
Sondrio	SO
Taranto	TA
Teramo	TE
Terni	TR
Torino	TO
Trapani	TP
Trento	TN
Treviso	TV
Trieste	TS
Udine	UD
Varese	VA
Venezia	VE
Verbania	VB
Vercelli	VC
Verona	VR
Vibo Valentia	VV
Vicenza	VI
Viterbo	VT

Mexico State	Abbreviation
Aguascalientes	AGS
Baja California Norte	BCN
Baja California Sur	BCS
Campeche	CAM
Chiapas	CHIS
Chihuahua	CHIH
Coahuila	COAH
Colima	COL
Distrito Federal	DF
Durango	DGO
Guanajuato	GTO

Exhibit 3.22.3-6 (Cont. 6) (01-01-2015)
Province, State and Territory Abbreviations

Mexico State	Abbreviation
Guerrero	GRO
Hidalgo	HGO
Jalisco	JAL
Mexico	MEX
Michoacan	MICH
Morelos	MOR
Nayarit	NAY
Nuevo Leon	NL
Oaxaca	OAX
Puebla	PUE
Queretaro	QRO
Quintana ROO	QROO
San Luis Potosi	SLP
Sinaloa	SIN
Sonora	SON
Tabasco	TAB
Tamaulipas	TAMPS
Tlaxcala	TLAX
Veracruz	VER
Yucatan	YUC
Zacatecas	ZAC

The Netherlands Province	Abbreviation
Drenthe	DR
Flevoland	FLD
Friesland	FR
Gelderland	GLD
Groningen	GN
Limburg	LB
North Brabant	NB
North Holland	NH

Exhibit 3.22.3-6 (Cont. 7) (01-01-2015)**Province, State and Territory Abbreviations**

The Netherlands Province	Abbreviation
Overijssel	OV
South Holland	ZH
Utrecht	UT
Zeeland	SLD

Exhibit 3.22.3-7 (01-01-2025)

Types of Visas

Visa Type	Description
A	Diplomatic
B	Visitors <ul style="list-style-type: none"> • B-1 Business • B-2 Pleasure • Cannot work as employee for United States or foreign employer, but can be independent contractor
C	In Transit <ul style="list-style-type: none"> • Must depart from United States within 10 - 20 days from arrival
D	Ship crew members
E	<ul style="list-style-type: none"> • E-1 Treaty Trader • E-2 Treaty Investor
F	Foreign Student <ul style="list-style-type: none"> • Already accepted by college or university for full course of study • Generally, unable to accept employment
G	Works for foreign government or International Organization Example: United Nations
H	Temporary Worker <ul style="list-style-type: none"> • Visa petition, filed by United States employer must be approved Note: Foreign agricultural workers temporarily admitted to the U.S. on H-2A visas are exempt from U.S. social security and Medicare taxes (SE tax). The wages earned are subject to U.S. income tax; however, H-2A workers are exempt from federal income tax withholding requirements.
I	Foreign media representative <ul style="list-style-type: none"> • Journalist
J	Exchange Visitor <ul style="list-style-type: none"> • (United States sponsored) • Foreign Professor or Teacher • Generally, length of stay in United States is 2 years
K	Fiancee of United States citizen <ul style="list-style-type: none"> • Marriage must take place within 90 days of arrival in United States
L	Intra company transferee
M	Student in vocational or other non-academic school
Q	Treated as engaged in trade or business in the United States

Exhibit 3.22.3-7 (Cont. 1) (01-01-2025)
Types of Visas

Visa Type	Description
TN	NAFTA related allows temporary entry of Canadian and Mexican profes- sional in qualifying occupations to work

Exhibit 3.22.3-8 (07-28-2015)**International Organizations Designated by the President through Executive Order**

International Organization
African Development Bank (Ex. Order No. 12403)
African Development Fund (Ex. Order No. 11997)
African Union (Ex. Order No. 13377)
African Union Mission (Ex. Order No. 13444)
Asian Development Bank (Ex. Order No. 11334)
Border Environment Cooperation Commission (Ex. Order No. 12904)
Caribbean Organization (Ex. Order No. 10983)
Commission for Environmental Cooperation (Ex. Order No. 12904)
Commission for Labor Cooperation (Ex. Order No. 12904)
Commission for the Study of Alternatives to the Panama Canal (Ex. Order No. 12567)
Customs Cooperation Council (Ex. Order No. 11596)
Council of Europe in Respect of the Group of States Against Corruption (Ex. Order No. 13240)
European Central Bank (Ex. Order No. 13307)
European Bank for Reconstruction and Development (Ex. Order No. 12766/ 13307)
European Space Agency (formerly European Space Research Organization (ESRO) (Ex. Order No. 11318/11351/11760/12766)
Food and Agriculture Organization (Ex. Order No. 9698)
Global Fund To Fight AIDS, Tuberculosis and Malaria (Ex. Order No. 13395)
Great Lakes Fishery Commission (Ex. Order No. 11059)
Hong Kong Economic and Trade Offices (Ex. Order No. 13052)
Inter-American Defense Board (Ex. Order No. 10228)
Inter-American Development Bank (Ex. Order No. 10873/11019)
Inter-American Institute of Agricultural Sciences (Ex. Order No. 9751)
Inter-American Investment Corporation (Ex. Order No. 12567)
Inter-American Statistical Institute (Ex. Order No. 9751)
Inter-American Tropical Tuna Commission (Ex. Order No. 11059)
Intergovernmental Maritime Consultative Organization (Ex. Order No. 10795)
International Atomic Energy Agency (Ex. Order No. 10727)
International Bank for Reconstruction and Development (Ex. Order No. 9751)
International Boundary and Water Commission, United States and Mexico (Ex. Order No. 12467)

Exhibit 3.22.3-8 (Cont. 1) (07-28-2015)**International Organizations Designated by the President through Executive Order**

International Organization
International Centre for Settlement Disputes (Ex. Order No. 11966)
International Civil Aviation Organization (Ex. Order No. 9863)
International Coffee Organization (Ex. Order No. 11225)
International Committee of the Red Cross (Ex. Order No. 12643)
International Cotton Advisory Committee (Ex. Order No. 9911)
International Cotton Institute (Ex. Order No. 11283)
International Criminal Police Organization (INTERPOL) (limited privileges) (Ex. Order No. 12425/12971/13524)
International Development Association (Ex. Order No. 11966)
International Development Law Institute (Ex. Order No. 12842)
International Fertilizer Development Center (Ex. Order No. 11977)
International Finance Corporation (Ex. Order No. 10680)
International Food Policy Research Institute (limited privileges) (Ex. Order No. 12359)
International Fund for Agricultural Development (Ex. Order No. 12732)
International Hydrographic Bureau (Ex. Order No. 10769)
International Joint Commission -- United States and Canada (Ex. Order No. 9972)
International Labor Organization (Ex. Order No. 9698)
International Maritime Satellite Organization (Ex. Order No. 12238)
International Monetary Fund (Ex. Order No. 9751)
International Pacific Halibut Commission (Ex. Order No. 11059)
International Secretariat for Volunteer Service (Ex. Order No. 11363)
International Telecommunication Union (Ex. Order No. 9863)
International Telecommunications Satellite Organization (INTELSAT) (Ex. Order No. 11718/11966)
International Union for Conservation of Nature and Natural Resources (Ex. Order No. 12986)
International Wheat Advisory Committee (International Wheat Council) (Ex. Order No. 9823)
Interparliamentary Union (Ex. Order No. 13097)
ITER International Fusion Energy Organization (Ex. Order No. 13451)
Israel-United States Binational Industrial Research and Development Foundation (Ex. Order No. 12956)
Korean Peninsula Energy Development Organization (Ex. Order No. 12997)
Multinational Force and Observers (Ex. Order No. 12359)
Multilateral Investment Guarantee Agency (Ex. Order No. 12647)

Exhibit 3.22.3-8 (Cont. 2) (07-28-2015)**International Organizations Designated by the President through Executive Order**

International Organization
North American Development Bank (Ex. Order No. 12904)
North Pacific Anadromous Fish Commission (Ex. Order No. 12895)
North Pacific Marine Science Organization (Ex. Order No. 12894)
Office of the High Representative in Bosnia and Herzegovina and the International Civilian Office in Kosovo (Ex. Order No. 13568)
Organization for European Economic Cooperation (now known as the Organization for Economic Cooperation and Development) (Ex. Order No. 10133)
Organization for the Prohibition of Chemical Weapons (Ex. Order No. 13049)
Organization of American States (includes Pan American Union) (Ex. Order No. 10533)
Organization of Eastern Caribbean States (Ex. Order No. 12669)
Pacific Salmon Commission (Ex. Order No. 12567)
Pan American Health Organization (includes Pan American Sanitary Bureau) (Ex. Order No. 10864)
Preparatory Commission of the International Atomic Energy Agency (Ex. Order No. 10727)
Provisional Intergovernmental Committee for the Movement of Migrants from Europe (now known as the Intergovernmental Committee for European Migration) (Ex. Order No. 10335)
South Pacific Commission (Ex. Order No. 10086)
United International Bureau for the Protection of Intellectual Property (BIRPI) (Ex. Order No. 11484)
United Nations (Ex. Order No. 9698)
United Nations Educational, Scientific, and Cultural Organization (Ex. Order No. 9863)
United Nations Industrial Development Organization (Ex. Order No. 12628)
United States-Mexico Border Health Commission (Ex. Order No. 13367)
Universal Postal Union (Ex. Order No. 10727)
World Health Organization (Ex. Order No. 10025)
World Intellectual Property Organization (Ex. Order No. 11866)
World Meteorological Organization (Ex. Order No. 10676)
World Tourism Organization (Ex. Order No. 12508)
World Trade Organization (Ex. Order No. 13042)

Exhibit 3.22.3-9 (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
300	We didn't allow your foreign earned income exclusion or income deduction, housing exclusion, or housing deduction. The required Form 2555 was either incomplete or not attached. We have changed your tax return accordingly. (Form 1040)
302	We changed the amount of tax shown on your return. If you claimed the foreign earned income exclusion, housing exclusion or housing deduction on Form 2555/Form 2555-EZ, you must figure your tax using the Foreign Earned Income Tax Worksheet found in the Form 1040 instructions. It appears your tax was not computed using this worksheet or was computed incorrectly. (Form 1040)
303	You figured your foreign earned income exclusion, housing exclusion, or housing deduction incorrectly on Form 2555. Our records indicate that you incorrectly computed your net foreign earned income. We have changed your tax return accordingly. (Form 1040)
304	You can't exclude more than the allowable amount of foreign earned income on Form 2555/Form 2555-EZ. We have changed your tax return accordingly. (Form 1040)
305	You figured the amount on Form 2555/Form 2555-EZ incorrectly. We have changed your tax return accordingly. (Form 1040)
306	We didn't allow the amount you claimed for Additional Child Tax Credit on your Form 1040. You're not eligible to claim the credit because you excluded foreign earned income with Form 2555 or Form 2555-EZ.
307	We didn't allow the amount claimed for the Credit for the Elderly and Disabled from Schedule R. Nonresident aliens are not eligible for this credit. We have adjusted your return accordingly. (Form 1040-NR)
308	You transferred your foreign earned income exclusion, housing exclusion or housing deduction incorrectly from Form 2555/Form 2555-EZ to your Form 1040. We have changed your tax return accordingly. (Form 1040)
309	Your foreign Earned Income Exclusion, Form 2555/Form 2555-EZ was disallowed because you did not live in a foreign country or because you did not meet the Tax Home Test for either the Bona Fide resident or Physical Presence Test. We have changed your tax return accordingly. (Form 1040)
310	We didn't allow your exclusion of foreign earned income because you are resident of a United States Territory. We have changed your tax return accordingly. (Form 1040)
311	We transferred the information from the tax form you filed and processed it as a Form 1040-NR because certain items reported on your tax return require you to file a Form 1040-NR. You do not need to send us another return to correct this error. The following paragraph(s) will explain any additional change(s) we made. (Form 1040-NR)
312	You cannot compute foreign tax credit on income that is excluded on Form 2555/Form 2555-EZ. We have changed your tax return accordingly. (Form 1040)
313	We changed the tax amount on your Form 1040-NR because of an error in your calculation of tax on the hypothetical married filing jointly statement you attached to your return.

Exhibit 3.22.3-9 (Cont. 1) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
314	We have disallowed your foreign earned income exclusion, housing exclusion, and/or housing deduction claimed on your tax return. Travel to Cuba is restricted. You cannot use the time spent in Cuba or any income earned in these countries to qualify for the foreign earned income exclusion. (Form 1040)
315	We cannot allow a deduction for a U.S. government Cost of living allowance. We have adjusted your tax return accordingly.
316	Income exempt under a tax treaty cannot be claimed as a miscellaneous itemized deduction on Schedule A. We adjusted your return accordingly.
317	Each exemption on your tax return must have an active individual taxpayer identification number (ITIN) or other valid taxpayer identification number (TIN). One or more of your dependents has an inactive ITIN. As a result, we didn't allow those exemptions on your tax return. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit (Form 1040-NR)
318	Your Individual Taxpayer Identification Number (ITIN) has expired. As a result, we disallowed certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Credit for child and dependent care expenses • Child tax credit • Additional child tax credit (Form 1040-NR)
319	The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we disallowed the amount you claimed as refundable child tax credit or additional child tax credit on your return. (Form 1040-SS (sp))
320	The Individual Taxpayer Identification Number (ITIN) for you and/or your spouse has expired. As a result, we disallowed the amount you claimed as refundable child tax credit or additional child tax credit on your tax return. (Form 1040-SS)
321	Dual-status taxpayers cannot file a joint return. Based on the information on your return, you are making an election to be taxed as a resident alien for the entire tax year. We have changed your tax return accordingly. (Form 1040)
322	The individual taxpayer identification number (ITIN) for one or more of your dependents has expired. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Credit for other dependents • Credit for child and dependent care expenses (Form 1040-NR)

Exhibit 3.22.3-9 (Cont. 2) (01-01-2026)
Taxpayer Notice Codes (TPNC)

TPNC	Literal
323	Your individual taxpayer identification number (ITIN) has expired. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Nonrefundable child tax credit • Credit for other dependents • Refundable child tax credit • Additional child tax credit (Form 1040-NR)
324	As dual-status taxpayer, you aren't entitled to the standard deduction. We have changed your tax return accordingly. (Form 1040 and Form 1040-NR)
325	You did not combine the income from your Dual Statement to your dual-status return correctly. We have adjusted your return accordingly.
326	You transferred your tax due on income not effectively connected to a United States trade or business incorrectly from your Form 1040-NR, Schedule NEC, to your Form 1040-NR, page 2. We have changed your tax return accordingly. (Form 1040-NR)
327	We changed the amount claimed as Repayment of Advanced Credit on your tax return because there was an error in figuring the repayment. The error was in one of the following: <ul style="list-style-type: none"> • Advanced Child Tax Credit was not reconciled. • Advanced Child Tax Credit was reconciled incorrectly. • The amount was not transferred correctly to your return.
328	We didn't receive your answer to our request for the dates you were in the U.S. Therefore, we changed your Dual-status return using only Form 1040-NR. We have changed your tax return accordingly. (Form 1040-NR)
329	We changed the amount of total tax on line 6 of your Form 1040-SS because there was an error adding lines 3 through 5. (Form 1040-SS)
330	Dual-status taxpayers cannot file Married Filing Jointly or Head of Household. Based on information on your return, we recomputed your taxes using either Single tax rates or Married Filing Separate tax rates. As a dual-status taxpayer, you can claim your own exemption. The amount you claim for your spouse and dependents is limited to your taxable income for the part of the year that you were a resident alien. We adjusted your return accordingly.
331	We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld on page 1 of your tax return due to a computation error. (Form 1040-SS)
332	We didn't allow the amount claimed as additional child tax credit because Form(s) 499R-2, W-2PR or other supporting documents were not attached to your tax return. (Form 1040-SS)
333	We changed the amount claimed as child tax credit and credit for other dependents on your tax return. Credit for other dependents is not allowed for your spouse.
334	We adjusted your tax return allowing only the income and withholding for the taxpayer filing the tax return. The other person(s) must file their own tax return to report their income and withholding.

Exhibit 3.22.3-9 (Cont. 3) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
335	We did not allow the amount claimed as foreign tax credit because the foreign taxes were paid or accrued to a country to which special rules under Rev. Rul. 2005-3, Rev. Rul. 2016-8, and/or Rev. Rul. 901(j) apply.
337	We didn't allow all or part of your tax treaty exclusion on your return. You can only exclude income related to teaching, studying, or training. Article 19 of the China Treaty allows the exemption for only three years. We have adjusted your return accordingly.
339	We didn't allow part or all of your refundable child tax credit or additional child tax credit on page 1 of your tax return. One or more of your children exceeds the age limitation. (Form 1040-SS)
340	We changed the amount claimed as Refundable Child Tax Credit on your tax return because there was an error on Part II Form 1040PR. The error was in one of the following: <ul style="list-style-type: none"> • Computation of the credit on Refundable Child Tax Credit Worksheet. • Transfer of the amount to your tax return. • Advanced Child Tax Credit was not reconciled. • Advanced Child Tax Credit was reconciled incorrectly.
341	Your credit on Form 8689, "Allocation of Individual Income Tax to the U.S. Virgin Islands" can't be more than the tax due on your Form 1040. We changed your return accordingly. (Form 1040)
343	We can't allow your earned income credit because you excluded income under Section 931, Section 933, or Form 4563 or you did not maintain a home in the United States for 6 months or more. We have changed your tax return accordingly. (Form 1040)
344	We can't allow your foreign earned income exclusion. You and your spouse must each file separate Forms 2555/Form 2555-EZ to exclude your foreign earned income on your joint return. We have changed your tax return accordingly.
345	We didn't allow the amount claimed as excess social security tax or tier 1 RRTA withheld on your tax return because Form(s) W-2AS, W-2CM, W-2GU, W-2VI, or 499R-2/W-2PR was not attached to your tax return. (Form 1040-SS)
346	We changed the amount claimed as total payments on your tax return because there was an error in the addition of the payments section. (Form 1040-SS)
347	We changed the total income on your tax return to include your U.S. source income. U.S. source income reported to you on Form W-2 cannot be excluded under IRC 931, IRC 933, or Form 4563.

Exhibit 3.22.3-9 (Cont. 4) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
348	<p>According to our records an installment payment is due for the First-Time Homebuyer Credit received with your 2008 tax return. You did not report the payment and did not include it in your total tax. We have calculated the required payment and added it to your tax return. (Form 1040-NR, Form 1040-SS)</p> <ul style="list-style-type: none"> Según nuestros registros, se debe un plazo de reintegro por el Crédito por la Compra de la Primera Vivienda que recibió usted al presentar su declaración de impuestos para el año 2008. Este plazo de reintegro se debió de haber añadido como un aumento al impuesto en el Formulario 1040, la declaración personal de impuestos federales. Nosotros hemos calculado el plazo de reintegro adeudado y ajustamos su impuesto total en la línea 6 de su Formulario 1040-SS (sp). (Form 1040-SS (sp))
350	We didn't allow the amount claimed as a deductible part of self-employment tax on your Form 1040. Information on your return indicates that this amount relates to the self-employment income you excluded under Section 931 or Section 933 of the Internal Revenue Code.
352	We changed the amount reported as Additional Medicare Tax, Form 8959 on your tax return. There was an error computing Part I, line 7, Form 8959, Additional Medicare Tax. (Form 1040-NR/SS/PR)
353	We changed the amount reported as Additional Medicare Tax, Form 8959 on your tax return. There was an error computing Part II, line 13 Form 8959, Additional Medicare Tax. (Form 1040-NR/SS/PR)
354	We changed the amount reported as Additional Medicare Tax, Form 8959 on your tax return. There was an error computing Part III, line 17 Form 8959, Additional Medicare Tax. (Form 1040-NR/SS/PR)
355	We changed the amount reported as Additional Medicare Tax, Form 8959 on your tax return. There was an error computing Part V, line 24 Form 8959, Additional Medicare Tax. (Form 1040-NR/PR/SS)
356	<p>We changed the amount of tax reported on your tax return. There was an error in the transfer of the amount from line 18 of your Form 8959, Additional Medicare Tax, to the appropriate line on your tax return.(Form 1040-NR/SS/PR)</p> <ul style="list-style-type: none"> PR verbiage - Cambiamos la cantidad de la contribución en la línea 5 de su Formulario 1040-SS (sp). Hubo un error al transferir la cantidad de la línea 18 de su Formulario 8959, Additional Medicare Tax (Contribución adicional al Medicare) a la línea 5 de su Formulario 1040-SS (sp).
357	<p>We changed the amount of your Form 8959, Additional Medicare Tax. There was an error transferring the Additional Medicare Tax withheld amount from line 24 of Form 8959 to your tax return. (Form 1040-NR/PR/SS)</p> <ul style="list-style-type: none"> PR verbiage- Hemos cambiado la cantidad de su Formulario 8959, Additional Medicare Tax (Contribución Adicional al Medicare), en inglés. Hubo un error al transferir la cantidad de la línea 24 del Formulario 8959 a la línea 11 del Formulario 1040-SS (sp).
358	You must express the amounts you report on your United States tax return in U.S. dollars. We have used the exchange rates found at website www.fiscal.treasury.gov to convert to U.S. dollars the amounts reported in foreign currency on your return.

Exhibit 3.22.3-9 (Cont. 5) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
359	<p>We changed the amount of total tax on line 6 of your Form 1040-SS (sp).</p> <ul style="list-style-type: none"> • Corregimos la cantidad total de la contribución en la Línea 6 de su Forma 1040-SS (sp), porque sumando la Línea 3 hasta la 5 hubo un error. (1040-SS (sp))
360	<p>We did not allow your deduction for foreign taxes paid on Form 1040, Schedule A because you already claimed those taxes as a foreign tax credit on Form 1116.</p>
361	<p>We changed the amount claimed as excess social security tax withheld or tier 1 RRTA withheld on page 1 of your tax return due to a computation error.</p> <ul style="list-style-type: none"> • Corregimos la cantidad reclamada de la retención en exceso de la contribución del seguro social o lo dispuesto en la retención del RRTA 1, en la página 1 de su planilla de contribución debido a un error del cómputo. (Form 1040-SS (sp))
362	<p>We didn't allow the amount claimed as additional child tax credit because Form(s) 499R-2, W-2PR or other supporting documents were not attached to your tax return.</p> <ul style="list-style-type: none"> • No le concedimos la cantidad reclamada como crédito tributario adicional por hijo porque el/los Formulario(s) 499R-2/W-2PR u otros comprobantes no fueron incluidos en su planilla de contribución. (Form 1040-SS (sp))
364	<p>You made an error transferring the amount of payments made to the U.S. Virgin Islands. We have adjusted your return accordingly.</p>
366	<p>We changed the amount of household employment taxes on line 4 of your Form 1040-SS (sp). There was an error in the computation of one or more of the following taxes or the totaling of these amounts on Schedule H, Household Employment Taxes:</p> <ul style="list-style-type: none"> • Social Security • Medicare • Federal Income Taxes <p>Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. Hubo un error en el cómputo de una o más de las siguientes contribuciones ó la suma total de estas cantidades en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos:</p> <ul style="list-style-type: none"> • Seguro Social • Medicare • Contribuciones Sobre el Ingreso Federal (Form 1040-SS (sp))
367	<p>We changed the household employment taxes on line 4 of your Form 1040-SS (sp). The amount of cash wages reported on Schedule H, Household Employment Taxes, for your household employee was not enough to be considered taxable for employment tax purposes. Any Social Security and Medicare Tax withheld should be returned to your employee. You may also have to file Form W-2C, Corrected Wage and Tax Statement, to correct the Social Security and Medicare wages you reported.</p> <ul style="list-style-type: none"> • Corregimos las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva. La cantidad de los sueldos de dinero en efectivo reportada en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos, para su empleado no era suficiente para ser considerada sujeta a la contribución para propósitos de la contribución del empleo. Cualquier contribución retenida para el Seguro Social y Medicare debe devolverse a su empleado. Usted también puede que tenga que radicar la Forma W-2C en inglés, "Corrected Wage and Tax Statement" (Corregido el Sueldo y el Informe Contributivo), para corregir el Seguro Social y Medicare que usted reportó. (Form 1040-SS (sp))

Exhibit 3.22.3-9 (Cont. 6) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
368	<p>We changed the amount of household employment taxes on line 4 of your Form 1040-SS (sp) because there was an error on Schedule H, Household Employment Taxes. The error was in the:</p> <ul style="list-style-type: none"> • Computation of the total tax on Schedule H and/or • Transfer of that amount to line 4 of your Form 1040-SS (sp). <p>Corregimos la cantidad de las contribuciones sobre el empleo de los empleados domésticos en su planilla contributiva, porque hubo un error en el Anexo H-PR, Contribuciones Sobre el Empleo de Empleados Domésticos. El error estaba en:</p> <ul style="list-style-type: none"> • El cómputo del total de la contribución en el Anexo H-PR y/o • La transferencia de esa cantidad a su planilla contributiva. (Form 1040-SS (sp))
369	<p>We didn't allow part or all of your refundable child tax credit or additional child tax credit on page 1 of your tax return. One or more of your children exceeds the age limitation.</p> <ul style="list-style-type: none"> • No le concedimos parte o todo su crédito tributario adicional por hijos en la página 1 de su planilla de contribución. Uno o más de sus hijos excede la limitación de la edad. (Form 1040-SS (sp))
370	<p>You did not reply to our request for a State Code to substantiate your entries in Sections II or III of Schedule H. We have adjusted your return accordingly.</p>
371	<p>We didn't allow the expenses you reported on your Schedule C. Expenses can only be deducted to the extent they relate to income effectively connected with a trade or business in the United States.</p>
374	<p>We changed the refund or amount you owe based on the information you provided in response to our previous correspondence.</p> <ul style="list-style-type: none"> • Corregimos su contribución basado en la información que usted proveyó en la contestación a nuestra correspondencia anterior. (Form 1040-SS (sp))
375	<p>We didn't allow the amount claimed as excess social security tax or tier 1 RRTA withheld on your tax return because Form(s) W-2 was not attached to your tax return.</p> <ul style="list-style-type: none"> • No le concedimos la cantidad reclamada de la retención del exceso de la contribución del seguro social ó lo dispuesto en la retención del RRTA 1 en la Línea 7 de su Forma 1040-SS (sp), porque la/las Formulario(s) 499R-2/W-2PR no fueron incluídas a su planilla contributiva. (Form 1040-SS (sp))
376	<p>We changed the amount claimed as total payments on your tax return because there was an error in the addition of the payments section on your tax return.</p> <ul style="list-style-type: none"> • Corregimos la cantidad reclamada como pagos totales en su planilla contributiva porque hubo un error en la sección de la suma de los pagos. (Form 1040-SS (sp))

Exhibit 3.22.3-9 (Cont. 7) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
377	<p>Information provided to the IRS indicates that you are not eligible to claim the Health Coverage Tax Credit. Eligibility is determined through either your state workforce agency Department of Labor (DOL) or the Pension Benefit Guaranty Corporation (PBGC). Only these organizations can determine your potential eligibility.</p> <p>To determine eligibility, trade adjustment assistance (TAA) and alternative trade adjustment assistance (ATAA) recipients may call the DOL at 1-877-US2JOBS (TTY 1-877-889-5627). PBGC recipients should call 1-800-400-7242.</p> <p>La información proporcionada al IRS indica que usted no es elegible para reclamar el Crédito Tributario por Cobertura de Seguro de Salud. La elegibilidad se determina a través de su agencia estatal laboral, el Departamento del Trabajo (DOL), ó la Corporación de Beneficios Garantizados de Pensiones (PBGC). Sólo estas organizaciones pueden determinar su potencial de elegibilidad.</p> <p>Para determinar la elegibilidad, la ayuda para los Ajustes Comerciales (TAA) y la Alternativa de Ayuda para los Ajustes Comerciales (ATAA), los beneficiarios pueden llamar al DOL al 1-877-US2JOBS (TTY 1-877-889-5627). Los beneficiarios de PBGC deben llamar al 1-800-400-7242. (Form 1040-SS (sp))</p>
378	<p>For tax year 2014, Form 8885, Health Coverage Tax Credit, must be submitted by amending your Form 1040-SS. We are removing Form 8885 and the amount from your return. We are returning the form to you and any supporting documentation you submitted. To claim the credit, submit an amended Form 1040-SS according to the form instructions. Include Form 8885 and the supporting documentation you submitted. Form 1040-SS and instructions can be obtained by visiting www.irs.gov or call 800-TAX-FORM (800-829-3676).</p> <p>Para el año contributivo 2014, el Formulario 8885, Health Coverage Tax Credit (Crédito contributivo por la cobertura de salud)", debe presentarlo enmendando su Formulario 1040-PR. Estamos eliminando el Formulario 8885 y la cantidad de su planilla. Le estamos devolviendo el formulario y toda la documentación de apoyo que envió. Para reclamar el crédito, presente un Formulario 1040-PR enmendado, de acuerdo a las instrucciones del formulario. Incluya el Formulario 8885 y la documentación de apoyo que envió. Las instrucciones del Formulario 1040-PR pueden obtenerse visitando www.irs.gov/espanol o llame al 800-TAX-FORM (800-829-3676).</p>
383	<p>You incorrectly figured your refundable child tax credit or Additional Child Tax Credit. We have adjusted your return accordingly. (Form 1040-NR and Form 1040-SS)</p>
384	<p>You may not exclude unearned income on Form 2555/Form 2555-EZ. You may be able to reduce your tax by filing an Amended Tax Return with Form 1116. (Form 1040)</p>
385	<p>We changed the total income on your tax return to include the taxable amount of your foreign earned income. Income excluded on Form 2555/Form 2555-EZ must be included on Form 1040 before you can exclude the income using Form 2555/Form 2555-EZ. (Form 1040)</p>
386	<p>We did not allow your Form 2555/Form 2555-EZ, Foreign Earned Income because you filed a 1040-NR tax return. (Form 1040-NR)</p>
387	<p>We did not allow your Form 2555 or Form 2555-EZ Foreign Earned Income Exclusion because you filed a dual-status tax return and are claiming an exclusion of income associated with the Form 1040-NR portion of your return. Only the income associated with the Form 1040 portion of income may be excluded. We have adjusted your return accordingly.</p>

Exhibit 3.22.3-9 (Cont. 8) (01-01-2026)
Taxpayer Notice Codes (TPNC)

TPNC	Literal
393	Nonresident aliens are exempt from the Individual shared responsibility payment (SRP). We adjusted your return accordingly. Any overpayment will be refunded to you. (Form 1040-NR)
394	We didn't allow the amount claimed as Itemized Deductions because Schedule A, Itemized Deductions, of Form 1040-NR was incomplete or missing from your return. (Form 1040-NR)
395	We changed the amount claimed as refundable child tax credit or additional child tax credit on your Tax return because there was an error. The error was in the: Computation of the credit on page 2 of your tax return and/or Transfer of that amount to page 1 of your tax return. <ul style="list-style-type: none"> Le cambiamos la cantidad reclamada del crédito tributario adicional por hijo en su planilla de contribución porque hubo un error. El error fue en: El cómputo del crédito en la página 2 de su planilla contributiva, y/o La transferencia de esa cantidad a la página 1 de su planilla contributiva. (Form 1040-SS (sp))
396	We changed the tax amount on your return because you did not attach a hypothetical Form 1040 or similar statement in support of your claim under Article XXV(3) of the U.S. – Canada Tax Treaty.
399	We changed the amount claimed on line 11, Part I as Deferral of tax payments because the amount cannot exceed the maximum amount of deferred tax payments reported on line 8d, Schedule H and/or line 9, Part VII of Form 1040-SS. (Form 1040-SS) <ul style="list-style-type: none"> Cambiamos la cantidad reclamada en la línea 11, Parte I, como aplazamiento de los pagos de contribuciones porque la cantidad no puede exceder la cantidad máxima de los pagos de contribuciones diferidas declaradas en la línea 8d, Anexo H y/o la línea 9, Parte VII del Formulario 1040-SS (sp). (Form 1040-SS (sp))
400	As a nonresident Alien, you are not allowed to take an adjustment to income for Tuition and Fees on Form 1040-NR. Your return has been adjusted accordingly. (Form 1040-NR)
401	We cannot allow the exemption(s) for your other dependent(s). As a nonresident alien, you are only allowed an exemption for yourself. We have adjusted your return accordingly. (Form 1040-NR)
402	We cannot allow the exemption for your other dependent(s). Residents of South Korea cannot claim an exemption for other than self, spouse or child (children) who lived with them in the United States. We have changed your tax return accordingly. (Form 1040-NR)
403	United States bank interest income is not taxable. We have adjusted your return accordingly. (Form 1040-NR)
404	Based on the information you reported, it appears that you didn't include capital gains from Form 8288-A. We have adjusted your return accordingly. (Form 1040 and Form 1040-NR)
405	We changed the amount claimed for Charitable Contribution Deduction as an Adjustments to Income on your tax return. This deduction is only allowed to certain residents of India. (Form 1040-NR)
406	We disallowed your treaty exemption claim because you didn't reply to our request for more information. We have changed your tax return accordingly. (Form 1040-NR)

Exhibit 3.22.3-9 (Cont. 9) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
408	We changed the amount claimed as deductions on your tax return. As a resident of India who was a student or business apprentice you may use either the standard deduction or itemized deductions; however, you cannot use both. We used the amount that resulted in a lower taxable income. (Form 1040-NR)
409	We can't allow your tax treaty exemption claim. Your claim is not a valid tax treaty claim. We changed your return accordingly. (Form 1040-NR)
410	We changed the amount claimed on your tax return because there was an error in the subtraction of your deductions from your adjusted gross income. (Form 1040-NR)
411	We changed the taxable income on your return because you incorrectly subtracted your itemized deductions from your adjusted gross income. (Form 1040-NR-EZ)
412	Your country of residence does not allow you to take exemptions for dependents. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Credit for other dependents • Child tax credit • Additional child tax credit (Form 1040-NR)
413	State income tax payments must be claimed as an itemized deduction on Schedule A, Itemized Deductions. These payments can't be subtracted from total income on the tax return. If you filed a Schedule A, we changed it to include the state income tax payments. If you didn't file a Schedule A, we allowed it as your total itemized deduction on Schedule A because it lowered your taxable income. (Form 1040-NR)
414	We changed the amount claimed as itemized deductions on your tax return because your deduction for state and local taxes is more than the amount allowed for your filing status. (Form 1040-NR)
415	We cannot allow your scholarship or fellowship exclusion. You didn't attach the required supporting statement. We have adjusted your return accordingly. (Form 1040-NR)
416	The amount of scholarship or fellowship exclusion cannot exceed the amount of scholarship or fellowship received. We have adjusted your return accordingly. (Form 1040-NR)
418	You aren't entitled to the standard deduction when you file Form 1040-NR. We changed your return accordingly. (Form 1040-NR)
421	Your Social Security number (SSN) or individual taxpayer identification number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Refundable child tax credit • Credit for other dependents • Nonrefundable child tax credit • Additional child tax credit (Form 1040-NR)

Exhibit 3.22.3-9 (Cont. 10) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
422	Each dependent listed on your tax return must have a valid Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN). For one or more of your dependents the SSN or ITIN was missing, or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits: <ul style="list-style-type: none"> • Refundable child tax credit • Credit for other dependents • Nonrefundable child tax credit • Additional child tax credit (Form 1040-NR)
423	Because your country of residence does not allow you to take exemptions for dependents, we have disallowed your Child Tax Credit and/or Additional Child Tax Credit. (Form 1040-NR)
424	We cannot allow the amount you claimed for education credit. Nonresident aliens are not eligible for this credit. We have adjusted your return accordingly. (Form 1040-NR)
425	We didn't allow all or part of the amount claimed for child tax credit, refundable child tax credit or additional child tax credit. Each dependent claimed for this credit must have a valid Social Security number issued by the Social Security Administration before the due date of the tax return. (Form 1040-NR)
426	You figured your total tax incorrectly on income not effectively connected with a United States trade or business on Schedule NEC on of Form 1040-NR. We have changed your tax return accordingly. (Form 1040-NR)
427	You incorrectly transferred the amount of tax on income not effectively connected with a United States trade or business from Schedule NEC of Form 1040-NR to page 2 of your return. We have adjusted your return accordingly. (Form 1040-NR)
428	You figured your tax using an incorrect tax treaty rate. We have changed your tax return accordingly. (Form 1040-NR)
429	You figured your tax incorrectly on Form 1040-NR, page 2, using the tax tables. We refigured your tax using the 30 percent (or lower treaty) rate from Schedule NEC of Form 1040-NR. We have changed your tax return accordingly. (Form 1040-NR)
430	We can't allow the amount you reported as tax withheld. You didn't attach Form(s) W-2, 1042-S, 1099 or other supporting documents as required. We have changed your tax return accordingly. (Form 1040-NR)
431	We didn't allow the amount claimed as additional Medicare tax withholding because Form(s) 499R-2, W-2PR or other supporting documents were not attached to your tax return. No le concedimos la cantidad reclamada como Impuesto Adicional de Medicare retenido porque el/los Formulario(s) 499R-2/W-2PR u otros comprobantes no fueron incluidos en su planilla de contribución.
432	We can't allow the amount you reported for Income Tax Withheld at Source. You didn't attach Form 1042-S to verify the amount as required. We have changed your tax return accordingly. (Form 1040-NR)

Exhibit 3.22.3-9 (Cont. 11) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
433	We can't allow the amount withheld by a "Partnership Under Section 1446". You didn't attach Form 8805 and/or Form 1042-S to verify the amount withheld as required. We have changed your tax return accordingly. (Form 1040-NR)
434	We have no record of the payment shown on Form 8288-A. We have adjusted your return accordingly. (Form 1040 and Form 1040-NR)
435	We can't allow the amount you reported as "United States Tax Withheld on Dispositions of United States Real Property Interests". You didn't attach Form(s) 8288-A and/or 1042-S to verify the amount as required. We have changed your tax return accordingly. (Form 1040-NR)
436	Our records indicate that the amount of your Form 8288-A credit is less than you claimed. We have adjusted your return accordingly. (Form 1040 and Form 1040-NR)
437	We didn't allow you to exempt the income you received from services performed as an employee of the United States government or one of its agencies. This income is taxable. We have adjusted your return accordingly.
438	We can't allow the foreign Withholding claimed on your return. We have changed your tax return accordingly. (Form 1040 and Form 1040-NR)
440	We compared the Social Security number of the primary taxpayer shown on your tax return with records from the Social Security Administration. According to these records, the Social Security number belongs to a deceased person. You should contact the Social Security Administration if this information is incorrect. This change may affect your taxable income, tax, credits or payments. (Form 1040)
441	We cannot allow your Form 8805 or Form 1042-S credit because the Social Security number shown on your Form 1040-NR and the credit document do not match. We have adjusted your return accordingly. (Form 1040-NR)
442	You did not reply to our request for a copy of your green card and signed declaration. We have adjusted your return accordingly. (Form 1040)
443	You are not entitled to a refund of tax withheld on United States social security benefits as shown on your Form 1040-NR. As a nonresident alien, 85 percent of your social security benefits are taxed at 30 percent. We have adjusted your return accordingly. (Form 1040-NR)
446	You transferred your tax due incorrectly from your Form 1040 to your Form 1040-NR. We have changed your tax return accordingly.
447	Your tax rate for gambling winnings paid to nonresident aliens is 30 percent. We have changed your tax return accordingly. (Form 1040-NR)
448	Gambling winnings are exempt from tax due to a United States tax treaty with your country of residence. We have changed your tax return accordingly. (Form 1040-NR)
449	We changed the amount of taxable income on your tax return because the exemption amount on line 40 was subtracted incorrectly from line 39. (Form 1040-NR)

Exhibit 3.22.3-9 (Cont. 12) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
452	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed certain credits on your return claimed for one or more of your dependents. This change may affect your taxable income, tax, or any of the following credits: <ul style="list-style-type: none"> • Child tax credit • Additional child tax credit (Form 1040-NR)
453	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed the amount you claimed as refundable child tax credit or additional child tax credit on your return. (Form 1040-SS (sp))
454	Your Social Security number (SSN) or Individual Taxpayer Identification Number (ITIN) was missing or the last name provided doesn't match our records or the records provided by the Social Security Administration. As a result, we disallowed the amount you claimed as refundable child tax credit or additional child tax credit on your return. (Form 1040-SS)
455	We changed the amount of taxable income because we did not allow the amount claimed as exemption amount. Deductions for exemptions are only for estates and trusts.
457	We changed your total exemption amount because there was an error in the computation of your total exemption amount. We have adjusted your return accordingly. (Form 1040-NR)
458	You did not claim the exemption amount for yourself. We allowed your personal exemption on your return. (Form 1040-NR)
460	We didn't allow all or part of the amount your claimed as additional child tax credit on your Form 1040-SS because the required Social Security number (SSN) is missing for one or more of the dependents you listed on the return. Nosotros no aprobamos toda o parte de la cantidad que usted reclamó como crédito contributivo adicional por hijos en su Formulario 1040-SS (sp), porque en su planilla falta el número de seguro social (SSN, por sus siglas en inglés) requerido para uno o más de sus dependientes reclamados.
461	We did not allow the amount of Additional Child Tax Credit claimed on your tax return. Information on your return indicates that you do not qualify for this credit.
463	You figured your tax incorrectly using the 30 percent (or lower treaty) rate from Form 1040-NR, Schedule NEC. We refigured your tax on page 2, Form 1040-NR, using the tax tables. We have changed your tax return accordingly.
464	<ul style="list-style-type: none"> • We didn't allow some or all of the amount you claimed as refundable or additional child tax credit on line 9 of your Form 1040-SS because the individual taxpayer identification number (ITIN) for one or more the qualifying persons has expired. (Form 1040-SS)

Exhibit 3.22.3-9 (Cont. 13) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
465	We did not allow part or all of the nonrefundable Child Tax Credit and/or Additional Child Tax Credit on page 2 of your tax return because your dependent(s) with an Individual Taxpayer Identification Number (ITIN) did not meet the substantial presence test in Part I of your Schedule 8812, Credits for Qualifying Children and Other Dependents (Form 1040-NR)
470	<p>We didn't allow the amount claimed as refundable child tax credit or Additional Child Tax Credit on your tax return. We have no record of receiving Form 8862, Information to Claim Certain Credits After Disallowance. You must submit a completed Form 8862 to recertify your eligibility for any of the credits claimed. (Form 1040-SS)</p> <ul style="list-style-type: none"> No permitimos la cantidad reclamada como Crédito Tributario Adicional por Hijos en su planilla de contribución. No tenemos registro de recibir el Formulario 8862(SP), Información para Reclamar Ciertos Créditos Después de Haber Sido Denegados. Usted debe presentar un Formulario 8862(SP) completado para volver a certificar su elegibilidad para cualquiera de los créditos reclamados. (Form 1040-SS (sp))
472	You don't owe self-employment tax when your net earnings from self-employment are less than \$434, as shown on Form 1040-SS. We changed your self-employment tax accordingly. (Form 1040-SS)
473	You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS. (Form 1040-SS)
474	You figured your refund or the amount you owe incorrectly on Form 1040-SS. (Form 1040-SS)
475	Your refundable child tax credit or Additional Child Tax Credit was reduced or not allowed because your dependent child's TIN was missing. (Form 1040-SS)
476	Your refundable child tax credit or Additional Child Tax Credit was reduced or not allowed because your dependent child's name and/or TIN were invalid. (Form 1040-SS)
477	We can't allow the additional child tax credit you claimed. You must have three or more qualifying children to claim the credit. We have adjusted your return accordingly. (Form 1040-SS)
478	<p>We didn't allow the amount claimed for the American Opportunity Tax Credit on your Form 1040-SS, U.S. Self-Employment Tax Return. We're returning any supporting documentation you submitted. Bona fide residents of Puerto Rico receive the refundable part of this credit from the Puerto Rico Treasury Department by filing a return with the Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501.</p> <p>No permitimos la cantidad reclamada para el Crédito Contributivo de Oportunidad para los Estadounidenses en su Formulario 1040-SS (sp), Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia. Estamos devolviendo toda la documentación de apoyo que usted envió. Los residentes bona fide de Puerto Rico reciben la parte reintegrable de este crédito del Departamento del Tesoro de Puerto Rico, al radicar la planilla con el Departamento de Hacienda, PO Box 9022501, San Juan, PR 00902-2501.</p>
483	We cannot allow the amount you claimed for Recovery Rebate Credit. Dual-status taxpayers are not eligible for this credit. We have adjusted your return accordingly.

Exhibit 3.22.3-9 (Cont. 14) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
484	We didn't allow the credit on your Form 1040 for tax paid to the U.S. Virgin Islands. You didn't attach Form 8689, Allocation of Individual Income Tax to the U.S. Virgin Islands, to support the amount claimed. We've adjusted your tax return accordingly.
485	<p>You don't qualify to use the optional method on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted no califica para usar el método opcional en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribucion sobre el trabajo por cuenta propia. (Form 1040-SS (sp))
486	<p>You didn't multiply your self-employment earnings by .9235, as shown on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted no multiplicó sus ganancias del trabajo por cuenta propia por .9235, como esta mostrado en la Forma 1040-SS (sp). Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia.
487	<p>You don't owe self-employment tax when your net earnings from self-employment are less than \$434, as shown on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted no debe contribución sobre el trabajo por cuenta propia cuando sus ganancias netas del trabajo por cuenta propia son menores de \$434, como esta mostrado en la Form 1040-SS (sp). Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia. (Form 1040-SS (sp))
488	<p>You figured or transferred your social security self-employment tax incorrectly on Form 1040-SS (sp). We changed your self-employment tax accordingly.</p> <ul style="list-style-type: none"> Usted calculó o transfirió incorrectamente la contribución sobre el trabajo por cuenta propia. Por lo tanto, le cambiamos su contribución sobre el trabajo por cuenta propia. (Form 1040-SS (sp))
489	<p>You figured your refund or the amount you owe incorrectly on Form 1040-SS (sp).</p> <ul style="list-style-type: none"> Usted calculó incorrectamente su reintegro o la cantidad que usted adeuda en el Formulario 1040-SS (sp). (Form 1040-SS (sp))
490	<p>Your refundable child tax credit or Additional Child Tax Credit was reduced or not allowed because your dependent child's TIN was missing.</p> <ul style="list-style-type: none"> Su Crédito Tributario Adicional por Hijos fue reducido o no fue permitido porque faltaba el TIN de su hijo(a) dependiente. (Form 1040-SS (sp))
491	<p>Your refundable child tax credit or Additional Child Tax Credit was reduced or not allowed because your dependent child's name and/or TIN were invalid.</p> <ul style="list-style-type: none"> Su Crédito de Impuesto por Hijo(a) Adicional fue reducido o no fue permitido porque el TIN de su hijo(a) dependiente era inválido. (Form 1040-SS (sp))
492	<p>We can't allow the additional child tax credit you claimed. You must have three or more qualifying children to claim the credit. We have adjusted your return accordingly.</p> <ul style="list-style-type: none"> No podemos permitirle el crédito tributario adicional por hijos que usted reclamó. Usted debe tener tres o más hijos calificados para poder reclamar el crédito. Por lo tanto, le hemos ajustado su planilla de contribución. (Form 1040-SS (sp))

Exhibit 3.22.3-9 (Cont. 15) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
493	<p>We reduced or disallowed your refundable child tax credit or additional child tax credit because one or more of the children listed was born after the current tax period. Therefore they are not eligible for this credit. We have adjusted your return accordingly.</p> <ul style="list-style-type: none"> Nosotros redujimos o le desaprobamos su crédito tributario adicional por hijos, porque uno o más de sus hijos que usted mencionó nació nacieron después del período contributivo actual. Por eso, él o ella no son elegibles para este crédito. Por lo tanto, le hemos ajustado su planilla de contribución. (Form 1040-SS (sp))
494	<p>We disallowed part of the tax treaty exemption on your return because you claimed more than the maximum amount. We have adjusted your return accordingly. (Form 1040-NR)</p>
495	<ul style="list-style-type: none"> We didn't allow the amount you claimed as nonrefundable child tax credit, refundable child tax credit or additional child tax credit on your tax return because you or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return. (Form 1040-NR) We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you, your spouse, or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return. (Form 1040-SS)
496	<p>We didn't allow the amount you claimed as child tax credit or additional child tax credit on your tax return because you, your spouse, or one or more of your dependents claimed for the credit did not have a taxpayer identification number assigned by the due date of the tax return.</p> <ul style="list-style-type: none"> No permitimos la cantidad que reclamó como crédito tributario adicional por hijos en la línea 9 de su Formulario 1040-SS (sp). Usted, su cónyuge o uno o más de sus dependientes reclamados para el crédito, no tenía un número de identificación del contribuyente asignado para la fecha de vencimiento de la planilla de contribución. (Form 1040-SS (sp))
497	<p>You, or one or more of the dependents listed on your return, didn't have an assigned taxpayer identification number by the due date of the tax return. As a result, we disallowed certain credits claimed on your return. This change may affect any of the following credits.</p> <ul style="list-style-type: none"> Refundable child tax credit Credit for other dependents Nonrefundable child tax credit Additional child tax credit <p>(Form 1040-NR)</p>
498	<p>We disallowed the amount claimed as refundable child tax credit or Additional Child Tax Credit on your tax return. Our records indicate that we've banned you from claiming refundable child tax credit or Additional Child Tax Credit for this tax year. (Form 1040-SS)</p> <ul style="list-style-type: none"> No permitimos la cantidad reclamada como Crédito Tributario Adicional por Hijos en su planilla de contribución. Nuestros récords indican que le hemos prohibido a usted reclamar el Crédito Tributario Adicional por Hijos para este año contributivo. (Form 1040-SS (sp))

Exhibit 3.22.3-9 (Cont. 16) (01-01-2026)**Taxpayer Notice Codes (TPNC)**

TPNC	Literal
499	<p>We disallowed the amount claimed as refundable child tax credit or Additional Child Tax Credit on your tax return. Our records indicate that we've banned you from claiming refundable child tax credit or Additional Child Tax Credit for two tax years. (Form 1040-SS)</p> <ul style="list-style-type: none">• No permitimos la cantidad reclamada como Crédito Tributario Adicional por Hijos en su planilla de contribución. Nuestros récords indican que le hemos prohibido a usted reclamar el Crédito Tributario Adicional por Hijos por dos años contributivos. (Form 1040-SS (sp))
500	<p>We disallowed the amount claimed as refundable child tax credit or Additional Child Tax Credit on your tax return. Our records indicate that we've banned you from claiming refundable child tax credit or Additional Child Tax Credit for ten tax years. (Form 1040-SS)</p> <ul style="list-style-type: none">• No permitimos la cantidad reclamada como Crédito Tributario Adicional por Hijos en su planilla de contribución. Nuestros récords indican que le hemos prohibido a usted reclamar el Crédito Tributario Adicional por Hijos por diez años contributivos. (Form 1040-SS (sp))

Exhibit 3.22.3-10 (01-01-2026)**No Reply to Correspondence**

The No Reply instructions have been divided into tables starting with instructions for all forms filed by international taxpayers followed by form specific instructions in this order:

- All Forms (Table 1)
- Form 1040-NR and Schedule 1, 2, and 3 (Table 2)
- Form 1040-SS (sp)/Form 1040-SS (Table 4)
- Form 1040 (Table 5)
- Form 1040 with Form 1042-S/Form SSA/RRB-1042-S (Table 6)
- Form 2555 (Table 7)
- Dual-Status (Table 8)
- Streamlined Filing Compliance Procedures (Table 9)

The following instructions refer to items that may be missing on any international return.

Second correspondence issues should be considered prior to applying No Reply procedures.

If the instructions under “Action To Be Taken” say to enter CCC 3, it must be entered in the first position of Field 01CCC.

Follow instructions under IRM 3.12.3, *Error Resolution, Individual Income Tax Returns, No Reply/Incomplete Reply/Undeliverables*, before entering CCC U.

If the instructions under “Action To Be Taken” say to enter Audit Code B, that must be the first correction made.

Table 1. All Forms - No Reply Instructions

If	Then
The taxpayer did not provide an acceptable signature in the reply OR page of the return with the signature is not attached or is illegible,	See IRM 3.12.3 for no reply instructions regarding missing signatures
EC 218 Taxpayer is claiming IRC 893 or Employee of Foreign Government and International Organizations and did not provide required information,	<ol style="list-style-type: none"> 1. Delete the amount of exempted income claimed on line 8d, Schedule 1, Form 1040(TY20 line 8, Schedule 1) or Form 1040-NR (TY19, line 22, Form 1040-NR). Note: Add the amount to Field 03WG (Form 1040/Form 1040-NR) if not present. 2. Assign TPNC 406
EC 366 Withholding is claimed and Form 1042-S is NOT attached,	<ol style="list-style-type: none"> 1. Delete Form 1042-S withholding. 2. Assign TPNC 432.

Exhibit 3.22.3-10 (Cont. 1) (01-01-2026)**No Reply to Correspondence**

If	Then
is claimed and Form W-2, Form 1099, or Form 8805 is not attached,	<ol style="list-style-type: none"> 1. Delete the withholding entries. 2. Assign TPNC 430 for U.S. Withholding (Form W-2, Form 1099, etc.) on Form 1040-NR. 3. Assign TPNC 582 for Form 1040. 4. Assign TPNC 433 for withholding by a "Partnership Under Section 1446" (Form 8805). <p>Exception: Research CC IRPTR (if appropriate for the tax period) to locate the total withholding figure. Allow only the withholding displayed on IRPTR, not to exceed the amount claimed by the taxpayer. Before reducing the taxpayer's withholding amount, ensure that the amount being reduced does not represent another type of "payment" (e.g., ES Payments). Research IMFOL as appropriate.</p>
Taxpayer did not provide Form 8854 as requested,	Continue normal processing procedures.

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Table 2. Form 1040-NR - No Reply Instructions

If	Then Action To Be Taken
Taxpayer didn't reply to request for Form 1040-NR for multiple filers,	<ol style="list-style-type: none"> 1. Delete the second name. 2. GTSEC 03/04 and delete the second person's income as applicable. 3. GTSEC 03/05 and delete the second person's withholding as applicable. 4. Assign TPNC 334
Taxpayer did not identify foreign country, treaty article number, or the exempt amount for a valid treaty exemption claim,	<ol style="list-style-type: none"> 1. Delete the treaty exemption amount. 2. Enter the amount to the appropriate field(s) in Section 03 and/or Section 04 as income. 3. Assign TPNC 406.
Taxpayer is in the United States more than 183 days and tax treaty not listed,	<ol style="list-style-type: none"> 1. Tax the income at the appropriate rate, 2. Enter the amount in Field 03TNC, and 3. Assign TPNC 428.

Exhibit 3.22.3-10 (Cont. 2) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
EC 018 - Taxpayer has Form SSA/ RRB 1042-S attached and did not respond with an SSN (or reply with the same SSN),	<ol style="list-style-type: none"> 1. Enter CCC "3" 2. Multiply 85 percent of the social security benefits by 30 percent, 3. GTSEC 46 and enter the 85 percent amount in Field 4613C, 4. GTSEC 05 and enter the 30 percent in Field 03TNC, 5. GTSEC 03 and delete social security benefits wherever reported or included, 6. GTSEC 05 and enter the withholding in Field 0325G, 7. Clear EC 018, 8. Assign TPNC 443.
line 1b and 10c (TY19, lines 12 and 31), Missing Form 1042-S or similar statement and entries are present on lines 1b and 10c (TY19, lines 12 and 31).	Delete amount from line 10c (TY19, line 31) and assign TPNC 415.
line 7 (TY19, line 14), Schedule D for Form 8288-A	<ol style="list-style-type: none"> 1. GTSEC 12 and enter the amount(s) from box 3, Form 8288-A in Field 1207. 2. Assign TPNC 404.
line 7 (TY19, line 14), Schedule D, if other than Form 8288-A,	Refer to IRM 3.12.3 Form 1040 line 7 no reply instructions.
line 8, Schedule 1 missing,	Refer to IRM 3.12.3 Form 1040 line 8 no reply instructions.
line 9 (TY19, line 23), Total Effectively Connected Income,	Refer to IRM 3.12.3 Form 1040 line 9 no reply instructions.
line 10a, Schedule 1 missing,	Refer to IRM 3.12.3 Form 1040 line 10a no reply instructions.
line 10c (TY19, line 31), supporting documents not attached to exclude scholarship/fellowship (EC 229),	Delete the scholarship/fellowship exclusion and assign TPNC 415.
line 10d (TY19, line 35) Adjusted Gross Income,	Refer to IRM 3.12.3 Form 1040 line 10c, Adjusted Gross Income no reply instructions.
line 12 (TY19, line 37), Schedule A Itemized Deduction missing or incomplete,	Assign TPNC 394.
line 16 (TY19, line 42) EC 265 - Article XXV(3) hypothetical statement for calculating married filing jointly tax is missing,	Assign TPNC 396.
line 16b (TY19, line 42b), Form 4972 missing,	Refer to IRM 3.12.3 Form 1040 line 16 no reply instructions.
line 17, Schedule 2 missing,	Refer to IRM 3.12.3 Form 1040 line 17 no reply instructions.

Exhibit 3.22.3-10 (Cont. 3) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
line 19 (TY19, line 49) Schedule 8812 is missing or incomplete,	Enter correct number of qualifying children in Field 94CEV and 946EV then assign TPNC 592.
line 20, Schedule 3 missing,	Refer to IRM 3.12.3 Form 1040 line 20 no reply instructions.
line 23a (TY19, line 54) Schedule NEC is missing or incomplete,	1. Divide the amount in Field 03NEC by .30, 2. GTSEC 46 and enter the result in Field 4613C.
line 23b, Schedule 2 missing	Refer to IRM 3.12.3 Form 1040 line 23 no reply instructions.
line 25d (TY19, line 62a) EC 366 W-2 or Form 1099, not attached,	1. Delete entry in Field 03WH. 2. Assign TPNC 430. Exception: Research CC IRPTR (if appropriate for the tax period) and allow only the withholding displayed on IRPTR for Form W-2 and Form 1099, not to exceed the amount claimed by the taxpayer on line 25d (TY19, line 62a). If the withholding displayed on IRPTR for this amount is for Form 8805, Form 8288-A or Form 1042-S, follow the No Reply instructions for lines 25e, 25f or 25g (TY19, lines 62b, 62c or line 62d). Before reducing the taxpayer's withholding amount, ensure that the amount being reduced does not represent another type of "payment" (e.g., ES Payments). Research IMFOL as appropriate.
line 25e (TY19, line 62b) EC 366 8805 not attached (Section 1446),	1. Delete entry in Field 0325E. 2. Assign TPNC 433. Exception: Research CC IRPTR (if appropriate for the tax period) and allow only the withholding displayed on IRPTR for Form 8805, not to exceed the amount claimed by the taxpayer on line 25e (TY19, line 62b). If the withholding displayed on IRPTR for this amount is for Form W-2, Form 1099, Form 8288-A or Form 1042-S, follow the No Reply instructions for lines 25e, 25f or 25g (TY19, lines 62b, 62c or line 62d). Before reducing the taxpayer's withholding amount, ensure that the amount being reduced does not represent another type of "payment" (e.g., ES Payments). Research IMFOL as appropriate.

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Exhibit 3.22.3-10 (Cont. 4) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
line 25f (TY19, line 62c) EC 366 Form 8288-A or substantial evidence Example: closing documents or settlement statement which shows the amount of tax withheld is not attached,	1. Delete entry in Field 0325F. 2. Assign TPNC 435.
line 25g (TY19, line 62d) EC 366 Form 1042-S Tax on Income Not Ef- fectively Connected is not attached,	1. Delete entry in Field 0325G. 2. Assign TPNC 432. Note: ALL Form 1042-S withholding must be supported by Form(s) 1042-S attached to the tax return.
line 28 (TY19, line 64) Schedule 8812 not attached,	1. Enter the number of qualifying children in Field 94CEV and 946EV. 2. Assign TPNC 592.
line 31, Schedule 3 missing	Refer to IRM 3.12.3 Form 1040 line 31 no reply instructions.
Schedule 1	
line 3 (TY19, line 13, 1040-NR), Schedule C or Statement not attached or incomplete,	Refer to IRM 3.12.3 Form 1040, Schedule 1, line 3 no reply in- structions,
line 4 (TY19, line 15, 1040-NR), Form 4797, 4684, or statement not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 4 no reply in- structions.
line 5 (TY19, line 18, 1040-NR), Schedule E, statement, or clear indi- cation of type of income is missing or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 5 no reply in- structions.
line 6 (TY19, line 19, 1040- NR),Schedule F or statement not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 6 no reply in- structions.
line 7, Schedule 1 (TY19, line 20, 1040-NR), Negative entry is claimed for Unemployment,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 7 no reply in- structions.
line 13 (TY20, line 12; TY19, line 25, 1040-NR), Form 8889, Health Savings Account Deduction,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 13 no reply in- structions.
line 14 (TY20, line 13; TY19, line 26, 1040-NR), Amount present for \$2,000 or more and no Form 3903/ Form 3903F attached,	Refer to IRM 3.12.3 Form 1040 Schedule 1 line 14 no reply in- structions.

Exhibit 3.22.3-10 (Cont. 5) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
Dotted portion of line 26 (TY20, line 22; TY19, line 34, 1040-NR), Form 2106 (e.g., identified as QPA) not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Dotted portion of Schedule 1, line 26 no reply instructions.
Schedule 2	
line 1 (TY19, line 43, 1040-NR), Form 6251 not attached (EC 267) or request for Form 6251 and no amount on line 43 (EC 270).	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 1 no reply instructions.
line 6 (TY19, line 56, 1040-NR), Form 4137 or Form 8919 not attached and Tax on Tips liability cannot be determined,	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 5 no reply instructions.
line 8 (TY20, line 6; TY19, line 57, 1040-NR) Form 5329 not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 8 no reply instructions.
line 9 (TY20, line 7a; TY19, line 59a, 1040-NR), Schedule H not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 9 no reply instructions.
State Code, Schedule H,	Delete appropriate entries from Sections 44/45, Schedule H, Sections II and III. Assign TPNC 370.
line 10 (TY20, line 7b; TY19, line 59b, 1040-NR), Form 5405 not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 10 no reply instructions.
line 17 (TY20, line 8; (TY19, line 60, 1040-NR) and no code is indicated and: <ul style="list-style-type: none"> Form 8611 not attached Form 8828 not attached Form 4970 not attached 	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 8 no reply instructions.
Schedule 3	
line 1 (TY19, line 46, 1040-NR), Form 1116 not attached.	1. Delete the entry in Field 05301. 2. Assign TPNC 513.
line 2 (TY19, line 47, 1040-NR), Form 2441 not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 2 no reply instructions.
line 4 (TY19, line 48, 1040-NR), Form 8880 not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 4 no reply instructions.
line 5 (TY19, line 50, 1040-NR), Form 5695 not attached or incomplete for credit,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 5 no reply instructions.

Exhibit 3.22.3-10 (Cont. 6) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
line 6a (TY19, line 51a, 1040-NR), Form 3800 (or applicable Form) either not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 6a no reply instructions.
line 6b (TY19, line 51b, 1040-NR), Form 8801 incomplete or not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 6b no reply instructions.
line 6c (TY19, line 51c, 1040-NR), and Form 8839 noted and Form 8839 not attached or incomplete,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 6c no reply instructions.
line 6e (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR), Form 8910 is missing or incomplete,	<ol style="list-style-type: none"> 1. Delete the vehicle credit amount. 2. Assign TPNC 522
line 6f (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR) Form 8936 is missing or incomplete,	<ol style="list-style-type: none"> 1. Delete the vehicle credit amount. 2. Assign TPNC 523
line 6f (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR), and Form 8834, Form 8910, or Form 8936 is missing or incomplete,	<ol style="list-style-type: none"> 1. Delete the vehicle credit amount. 2. Assign TPNCs as follows: <ul style="list-style-type: none"> • Form 8834 - Assign TPNC 337 • Form 8910 - Assign TPNC 333 • Form 8936 - Assign TPNC 335
line 6g (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR), and Form 8396 notated and Form 8396 incomplete or not attached,	Refer to IRM 3.12.3 Schedule 3 Form 1040 line 6g no reply instructions.
line 6i (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR), and Form 8834 is missing or incomplete,	<ol style="list-style-type: none"> 1. Delete the vehicle credit amount. 2. Assign TPNC 534
line 6z (TY20, line 6c, Schedule 3; TY19, line 51c, 1040-NR), Entry of \$500 or more and: <ul style="list-style-type: none"> • Form 8844 notated • Form 8860 notated • Form 8884 notated 	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 6z no reply instructions per Form notated.
line 8, (TY20, line 7, Schedule 3; TY19, line 52, 1040-NR), Schedule 3 incomplete or not attached and credit not supported	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 8 no reply instructions.
line 12 (TY20, line 11, Schedule 3; TY19, line 68, 1040-NR), Form 4136 is not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 12 no reply instructions.

Exhibit 3.22.3-10 (Cont. 7) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken	
line 13a (TY20, line 12a, Schedule 3; attached,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 13a no reply instructions.	#
line 13b (TY20, line 12b, Schedule 3) Schedule H or Form 7202 is not attached	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 13b no reply instructions.	#
line 13c (TY20, line 12c, Schedule 3; TY19, line 69c, 1040-NR), Form 8885 is not attached or is not supported by proof of payment,	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 13c no reply instructions.	
line 12e, Schedule H or Schedule SE missing	Refer to IRM 3.12.3 Form 1040 Schedule 3 line 12e no reply instructions.	
Prior Year		
Form 8332, Form 2120, or copy of divorce decree is not attached, Note: Correspondence for Form 8332/2120 only applies to TY17 and prior	1. Deny the dependent exemption, Child Tax Credit, and Additional Child Tax Credit for each dependent in position 4 of Field 01EXC. Note: Use Field 94EXV to suppress the dependent exemption and Field 94CEV to adjust the number of dependents eligible for the Child Tax Credit. Assign TPNC 598	
line 69b (TY10 and TY11) Form 8839 is incomplete or not attached, or the supporting adoption documents are not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 5 line 74d or line 75 write-in no reply instructions.	
line 69c (TY07 - TY12) Form 8801 is not attached,	Refer to IRM 3.12.3 Form 1040 Schedule 5 line 71 no reply instructions.	
Schedule A- line 7- (TY 2017 and prior) Unreimbursed Employee 2106-EZ or similar statement attached,	1. Delete the amount if present in Field 07GMD pertaining to Unreimbursed Employee Business Expenses. 2. Assign TPNC 553.	#

Table 4. Form 1040-SS and Form 1040-SS (sp) - No Reply Instructions

If	Action To Be Taken
line 3, Part I has an amount and Part V (Schedule SE) is missing or liability cannot be determined,	Refer to IRM 3.12.3 Form 1040 Schedule 2 line 4 no reply instructions to dummy Schedule SE.

Exhibit 3.22.3-10 (Cont. 8) (01-01-2026)**No Reply to Correspondence**

If	Action To Be Taken
Form 8959 is missing,	<ol style="list-style-type: none"> 1. Enter SE income if present from Schedule SE, line 6 (PY22 and prior Part V, line 6 of Form 1040(PR)) or Form 1040-SS in Field 7108. 2. If Field 7118> matches the taxpayer amount on line 5 of Part I of Form 1040-SS (sp) or Form 1040-SS then Clear EC 331. 3. If Field 7118> does not match the taxpayer amount on line 5 of Part I of Form 1040-SS (sp) or Form 1040-SS then enter the taxpayer amount in Field 7118V.
Supporting documents for Part V of Form 8959 are missing,	<ol style="list-style-type: none"> 1. GTSEC 71 and delete the amount in Field 7119 that's not supported. Don't change other fields in Section 71. 2. If EC 331 or EC 366 generate, assign TPNC 431.
Schedule H is missing,	<ol style="list-style-type: none"> 1. Delete entry on line 4. 2. When Error Code 334 generates, enter the taxpayer's amount for line 4 plus the computer underprint for line 3 in Field 94TXV. 3. If Error Code 334 re-generates, assign TPNC 329 (Form 1040-SS) or 359 (Form 1040-SS (sp))
Taxpayer did not provide supporting documentation for Excess SST/RRTA,	<ol style="list-style-type: none"> 1. Enter the amount of Excess SST/RRTA that is supported by documentation into Field 94ESV. 2. Assign TPNC 375 (Form 1040-SS (sp)) or TPNC 345 (Form 1040-SS). <p>Exception: Research CC IRPTR (if appropriate for the tax period) (for both taxpayers if FSC 2) to determine the correct Excess SST figure. If you can determine the taxpayer's Excess SST, allow the amount.</p>
Taxpayer is claiming additional child tax credit and did not respond with Part II, Form 1040-SS or Form 1040-SS (sp), and/or substantiation for an entry in Field 47SSM,	<ol style="list-style-type: none"> 1. Adjust the amount in Field 47SSM to match the amount that is supported by documentation. 2. Assign TPNC 362 (Form 1040-SS (sp)) or TPNC 332 (Form 1040-SS) as appropriate.
Taxpayer did not respond with supporting documentation for total payments,	Assign TPNC 376 (Form 1040-SS (sp)) or TPNC 346 (Form 1040-SS) as appropriate.

Exhibit 3.22.3-10 (Cont. 9) (01-01-2026)**No Reply to Correspondence****Table 5. Form 1040 - No Reply Instructions**

If	Then Action To Be Taken
There is an indication that the taxpayer is claiming child tax credit and the amount of excluded Puerto Rican income is not provided by the taxpayer,	<ol style="list-style-type: none"> 1. Enter a "1" in Field 94CDV. 2. Assign TPNC 252.
Form 1040 with an address in PR or taxpayer with only income from PR is claiming additional child tax credit and did not respond with substantiation for entry in Field 47SSM,	<ol style="list-style-type: none"> 1. Enter a "1" in Field 94ACV. 2. Assign TPNC 332.
Taxpayer is claiming Section 893 or Employee of Foreign Government and International Organizations and did not provide evidence concerning their non United States citizen status (e.g., a copy of their green card), the United States Citizenship and Immigration Services (CIS) statement/Form I-508, the State Department certification or the Number of the Executive Order,	<ol style="list-style-type: none"> 1. Delete the amount of exempted income claimed on line 8z, Schedule 1, Form 1040. Note: Add the exempted income claimed to the wage line of Form 1040 if not present. 2. Assign TPNC 406
Taxpayer is claiming a credit for Form 8689, <i>Allocation of Individual Income Tax to the U.S. Virgin Islands</i> , on dotted portion next to line 33 (TY19, line 19), Form 1040, or Schedule 3, line 13 (TY19, line 14), and Form 8689 isn't attached,	<ol style="list-style-type: none"> 1. Delete the credit amount identified as "Form 8689". 2. When EC 366 generates, assign TPNC 484.
Taxpayer is claiming Form 8288-A withholding and does not respond to our request for proof of the 8288-A withholding	<ol style="list-style-type: none"> 1. Remove the 8288-A withholding 2. When EC 366 generates, assign TPNC 582

Table 6. Form 1040 with Form 1042-S or Form SSA/RRB-1042-S - No Reply Instructions

If	Then Action To Be Taken
Taxpayer is reporting income and withholding from Form 1042-S only and taxpayer did not respond to our request for the U.S. status,	<ol style="list-style-type: none"> 1. Convert to Form 1040-NR. 2. Assign TPNC 311.
Taxpayer did not respond with green card AND declaration statement (EC 118 and EC 334) to verify the withholding being claimed on Form SSA/RRB 1042-S,	<ol style="list-style-type: none"> 1. Delete the withholding. 2. Assign TPNC 442 when EC 366 generates.
EC 018 - Taxpayer has Form SSA/RRB 1042-S attached and did not respond with an SSN (or reply with the same SSN),	<ol style="list-style-type: none"> 1. Delete the withholding. 2. Edit CCC "3" 3. Clear EC 018 4. When EC 366 generates - assign TPNC 440.

Exhibit 3.22.3-10 (Cont. 10) (01-01-2026)**No Reply to Correspondence****Table 7. Form 2555 - No Reply Instructions**

If	Then Action To Be Taken
Form 2555 is not attached,	<p>Follow all the steps below:</p> <ol style="list-style-type: none"> 1. Ensure the foreign earned income is included on the applicable income lines, 2. DLSEC 34 and/or 35, 3. Delete the amount of deduction and/or exclusion on Form 1040, and 4. Assign TPNC 300. <p>Note: If the Form 2555 was the only International aspect of the return, SSPND 610 to renumber to domestic program.</p>
Bona fide dates and/or physical presence dates are not submitted or cannot be determined,	<p>Follow all the steps below:</p> <ol style="list-style-type: none"> 1. Ensure the foreign earned income is included on the applicable income lines, 2. DLSEC 34 and/or 35, 3. Delete the amount of deduction and/or exclusion on Form 1040, and 4. Assign TPNC 309. <p>Note: If the Form 2555 was the only International aspect of the return, SSPND 610 to renumber to domestic program.</p>
Missing page 1, 2 or 3 Form 2555	<ol style="list-style-type: none"> 1. Ensure the foreign earned income is included on the applicable income lines, 2. DLSEC 34 and/or 35, 3. Delete the amount of deduction and/or exclusion on Form 1040, 4. Assign TPNC 300. <p>Note: If the Form 2555 was the only International aspect of the return, SSPND 610 to renumber to domestic program.</p>
Combined Form 2555 submitted for primary and secondary and it can be determined that each spouse has income.	<p>Follow all the steps below:</p> <ol style="list-style-type: none"> 1. Ensure the foreign earned income is included on the applicable income lines, 2. DLSEC 34 and/or 35, 3. Delete the amount of deduction and/or exclusion on Form 1040, and 4. Assign TPNC 344 <p>Note: If the Form 2555 was the only International aspect of the return, SSPND 610 to renumber to domestic program.</p>

Exhibit 3.22.3-10 (Cont. 11) (01-01-2026)**No Reply to Correspondence**

If	Then Action To Be Taken
EC 156 Income is reported on line 20a or 20b, Form 2555 and no Schedule C is attached,	<ol style="list-style-type: none"> 1. Ensure the amount reported by the taxpayer on line 20a or 20b of Form 2555 is also reported as income on Form 1040. If not reported add the amount that is not reported to Line 8d, Schedule 1, Form 1040 and enter the total in Field 04OTI. 2. Enter "V" in Field 01ACD if the taxpayer appears to be liable for self-employment tax. Use instructions at EC 088 at IRM 3.22.3.129.1 to determine liability. 3. Enter C in the Clear Field for EC 156. Assign TPNC 385 if EC 218 generates.

Table 8. Dual-Status - No Reply Instructions

If	Then Action To Be Taken
The taxpayer indicates filing of a dual-status Return but did not reply with to our request for the Form 1040-NR,	<ol style="list-style-type: none"> 1. Convert form filed to a Form 1040-NR. 2. Assign TPNC 328.
The taxpayer indicates filing of a dual-status Return but did not reply with to our request for the Form 1040,	Continue to process as a Form 1040-NR
The taxpayer uses FSC 2 and did not respond with the name and signature of the spouse,	<ol style="list-style-type: none"> 1. Enter "3" in Field 01FSC. 2. Assign TPNC 103.
FSC 2, both taxpayers have income and no reply to request for separate returns,	<ol style="list-style-type: none"> 1. Enter CCC "3" and "U". 2. If controlling document is Form 1040-NR, renumber to Form 1040. 3. Process the Form 1040 return using FSC 2. 4. Assign TPNC 321.

Exhibit 3.22.3-10 (Cont. 12) (01-01-2026)**No Reply to Correspondence****Table 9. Streamlined Filing Compliance Procedures- No Reply Instructions**

If	Then Action To Be Taken
Missing Certification - Taxpayer does not respond with a signed certification,	Process as normal returns by doing the following: <ol style="list-style-type: none"> 1. Remove any edits of SPC "P", CCC "M", CCC "R" and "P". Edit CCC "N" if required, see IRM 3.22.3.13. 2. Complete processing of all returns in the submission. 3. If a return has Form 3520, Form 3520-A, Form 5471, Form 5472, Form 926, or Form 8865 attached, route the entire submission to LB&I Mail Stop 4305 AUSC after processing is complete indicating "Streamlined No Reply - International information returns attached." 4. All 1040-X returns must go to AM to be processed. Place an AM Streamlined cover sheet on each Form 1040-X and route to AM. Be sure to indicate in the CSR instructions section that SP corresponded and that the TP did not reply. Example: Answer "Yes" to Corresponded for Certification Issue and "No" for Complete Reply Received.
Missing Signature - Taxpayer does not respond with a certification signature, and the return is NOT filed Married Filing Jointly,	Follow the procedures under "Missing Certification" above.
Missing Signature(s) - Taxpayer does not respond with certification signatures, the return is filed Married Filing Jointly , and neither taxpayer signed the certification,	Follow the procedures under "Missing Certification" above.
Other - Taxpayer does not respond to Streamlined correspondence for other missing items but the return has a certification with at least one signature,	<ol style="list-style-type: none"> 1. Process the return with Streamlined procedures. 2. Follow the Reply procedures in IRM 3.22.3.7.3.2. 3. Do not enter CCC "U" if this is the only correspondence item.

Exhibit 3.22.3-11 (01-01-2016)**Prior Year Treaty Chart for Treaties In Force after 2005**

***Compensation for Personal Services Performed in United States Exempt from
U.S. Income Tax Under Income Tax Treaties***

Country	Purpose	Maximum Presence in the U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article
Bangladesh TY 2006 and prior	N/A	N/A	N/A	N/A	N/A
Belgium TY 2007 - Prior	Scholarship or Fel- lowship Grant	5 years	Any U.S. or foreign resident	No limit	21(1)
Belgium TY 2007 - Prior	Independent personal service	182 days	Any contractor	No limit	14(2)(a)(b)
Belgium TY 2007 - Prior	Public Entertain- ment	90 days	Any contractor	\$3,000	14(2)(c)
Belgium TY 2007 - Prior	Dependent personal service	182 days	Belgium resident	No limit	15
Belgium TY 2007 - Prior	Teaching	2 years	U.S. educa- tional institution	No limit	20
Belgium TY 2007 - Prior	Studying and Training: Remit- tances or allowances	5 years	Any foreign resident	No limit	21(1)
Belgium TY 2007 - Prior	Studying and Training: Compen- sation during training	12 consecu- tive months	Belgium resident	\$5,000	21(2)(b)
Belgium TY 2007 - Prior	Studying and Training: Compen- sation during training	5 years	Other foreign or U.S. resident	\$2,000 p.a.	21(1)
Belgium TY 2007 - Prior	Studying and Training: Compen- sation while gaining experience	12 consecu- tive months	Belgium resident	\$5,000	21(2)(a)
Belgium TY 2007 - Prior	Studying and Training: Compen- sation under U.S. Govt Program	1 year	U.S. govern- ment or its contractor	\$10,000	21(3)

Exhibit 3.22.3-11 (Cont. 1) (01-01-2016)**Prior Year Treaty Chart for Treaties In Force after 2005**

Country	Purpose	Maximum Presence in the U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article
Bulgaria TY 2008 - Prior	N/A	N/A	N/A	N/A	N/A
Canada TY 2008 - Prior	Independent personal service	No limit	Any contractor	No limit	XIV
Canada TY 2008 - Prior	Public Entertainment	No limit	Any contractor	\$15,000 p.a.	XVI
Canada TY 2008 - Prior	Dependent personal service	No limit	Any U.S. or foreign resident	\$10,000	XV
Canada TY 2008 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	XV
Canada TY 2008 - Prior	Studying and Training; Remittances or allowances	No limit	Any foreign resident	No limit	XX
Germany TY 2008 and prior	Scholarship or fellowship grant	No limit	Any U.S. or foreign resident	No limit	21(1)
Germany TY 2008 and prior	Independent personal service	No limit	Any contractor	No limit	14
Germany TY 2008 and prior	Independent personal service: Public entertainment	No limit	Any contractor	\$20,000 p.a.	17
Germany TY 2008 and prior	Dependent personal service	183 days	Any foreign resident	No limit	15
Germany TY 2008 and prior	Dependent personal service: Public entertainment	183 days	Any foreign resident	\$20,000 p.a.	17
Germany TY 2008 and prior	Teaching	2 years	U.S. educational or research institution	No limit	20(1)

Exhibit 3.22.3-11 (Cont. 2) (01-01-2016)**Prior Year Treaty Chart for Treaties In Force after 2005**

Country	Purpose	Maximum Presence in the U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article
Germany TY 2008 and prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	20(2)
Germany TY 2008 and prior	Studying and Training: Compensation during study or training	4 years	Any U.S. or foreign resident	\$5,000 p.a.	20(4)
Germany TY 2008 and prior	Studying and Training: Compensation while gaining experience	1 year	Any German enterprise or foreign organization or institution	\$10,000	20(5)
Iceland TY 2008 - Prior	N/A	N/A	N/A	N/A	N/A
Italy TY 2010 - Prior	Independent personal service	183 days	Any contractor	No limit	14
Italy TY 2010 - Prior	Independent personal service: public entertainment	90 days	Any contractor	\$12,000 p.a.	17(1)
Italy TY 2010 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	15
Italy TY 2010 - Prior	Independent personal service: public entertainment	90 days	Any U.S. or foreign resident	\$12,000 p.a.	17(1)
Italy TY 2010 - Prior	Teaching	2 years	U.S. educational institution	No limit	20
Italy TY 2010 - Prior	Studying and Training: Remittances or allowances	No limit	Any foreign resident	No limit	21
Malta TY 2010 - Prior	N/A	N/A	N/A	N/A	N/A

Exhibit 3.22.3-11 (Cont. 3) (01-01-2016)**Prior Year Treaty Chart for Treaties In Force after 2005**

Country	Purpose	Maximum Presence in the U.S.	Required Employer or Payer	Maximum Amount of Compensation	Treaty Article
New Zealand TY 2010 - Prior	Independent personal service	183 days	Any contractor	No limit	14
New Zealand TY 2010 - Prior	Independent personal service: Public entertain- ment	183 days	Any contractor	\$10,000	17
New Zealand TY 2010 - Prior	Dependent personal service	183 days	Any foreign resident	No limit	15
New Zealand TY 2010 - Prior	Dependent personal service: Public entertain- ment	183 days	Any foreign resident	\$10,000	17
New Zealand TY 2010 - Prior	Studying and Training: Remit- tances or allowances	No limit	Any foreign resident	No limit	20

Exhibit 3.22.3-12 (01-01-2023)
IAT Letter 4087C Fill-in paragraphs

Mark the box for paragraph “#” on Form 13900 and clearly write the paragraph fill-in letter in the space provided.

Fill-in Letter	Literal
A	Form 1128 required for accounting period change <ul style="list-style-type: none"> The tax return you submitted indicates you are changing your accounting period. Send us Form 1128, Application to Adopt, Change, or Retain a Tax Year, a copy of your application, or a statement relating to an application to change your accounting period. We are unable to process your return as submitted without this documentation or IRS authority.
B	IRC 965 Transition Tax Statement (Form 1040 and Form 1040-NR) <ul style="list-style-type: none"> Internal Revenue Code (IRC) Section 965 Transition Tax Statement was either not attached or was incomplete. Send us a completed, signed IRC 965 Transition tax Statement to support the Section 965 claims on your tax return.
C	Disaster return with unsupported itemized deductions <ul style="list-style-type: none"> Schedule A is incomplete or missing from your return. Complete the schedule with information that supports your entry for itemized deductions. If applicable, you must also submit any supporting forms for Schedule A, such as Form 4684.
D	EC 366, Employer and employee addresses in Puerto Rico (MeF) <ul style="list-style-type: none"> Send us your Forms W-2, Wage and Tax Statement, used to support the amount of federal withholding on your tax return.
E	EC 265, U.S.-Canada Treaty Article XXV Missing Statement <ul style="list-style-type: none"> You indicated on your Form 1040-NR that you are using the formula provided in Article XXV(3) of the U.S.-Canada Tax Treaty to compute your U.S. tax. Send us a hypothetical Form 1040 or similar statement reporting the worldwide and taxable income of you and your spouse as if you were both U.S. citizens, and showing how you calculated the amount reported as tax on your return.
K	Second Correspondence <ul style="list-style-type: none"> Thank you for sending us the information we requested on your tax return for the period shown on page 1 of this letter. We still need more information to process your return. Please send us the information we've requested in this letter.

Exhibit 3.22.3-13 (01-01-2024)**IAT Letter 2894C/SP and 2894C Fill-in paragraphs**

Mark the box for paragraph "0" on Form 13975 and clearly write the fill-in paragraph letter in the space provided.

Letter 2894C/SP (Form 1040-SS (sp))

Fill-in Letter	Literal (For English translation see Form 1040-SS table below)
PD	Form 8959, Support of Medicare wages and withholding <ul style="list-style-type: none"> • Envíenos una copia de sus Formularios W-2AS, W-2CM, W-2GU, W-2VI, y 499R-2/W-2PR para documentar las cantidades en Formulario 8959.
PM	EC 094 - Married Filing Separately <ul style="list-style-type: none"> • Su planilla indicó el estado civil casado que radica por separado. Sin embargo, esta incluye ingreso que pertenecientes a su cónyuge. Envíenos la planilla contributiva corregida con solamente su ingreso. Si desea radicar conjuntamente, ambos cónyuges tienen que firmar para una planilla conjuntas.

Letter 2894C (Form 1040-SS)

Fill-in Letter	Literal
PJ	Form 8959 - Support of Medicare wages and withholding <ul style="list-style-type: none"> • Send us a copy of your Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR to document the amounts on Form 8959.
PL	EC 094 - Married Filing Separately <ul style="list-style-type: none"> • Your return indicated a married filing separately filing status. However, it includes income belonging to your spouse. Submit a corrected tax return with only your income. If you wish to file jointly, both spouses must sign a joint return.

Exhibit 3.22.3-14 (11-08-2021)**Tax Forms and Internal Use Forms**

The following is a list of tax forms and internal use forms referenced in this IRM.

Form	Title
Form 843	Claim for Refund and Request for Abatement
Form 1040	U.S. Individual Income Tax Return
Form 1040-SR	U.S. Tax Return for Seniors (TY 2019 and later)
Form 1040A	U.S. Individual Income Tax Return (TY 2017 and prior)
Form 1040EZ	Income Tax Return for Single and Joint Filers With No Dependents (TY 2017 and prior)
Form 1040-NR	U.S. Nonresident Alien Income Tax Return
Form 1040-SS (sp)	Spanish Version of Form 1040-SS
Form 1040-SS	U.S. Self-Employment Tax Return (Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico)
Form 1040-X	Amended U.S. Individual Income Tax Return
Form 1042-S	Foreign Person's U.S. Source Income Subject to Withholding
Form 2555	Foreign Earned Income
Form 2555-EZ	Foreign Earned Income Exclusion (TY 2018 and prior)
Form 3210	Document Transmittal (IRS) (internal use)
Form 3471	Edit Sheet (internal use)
Form 3531	Request for Signature or Missing Information to Complete Return
Form 3696-A	IDRS Correspondence Action Sheet (internal use)
Form 4227	Intra-SC Reject of Routing Slip (internal use)
Form 4563	Exclusion of Income for Bona Fide Residents of American Samoa
Form 5074	Allocation of Individual Income Tax To Guam or the Commonwealth of the Northern Mariana Islands
Form 6001	Letter 12C Correspondence Action Sheet (internal use)
Form 8288-A	Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests
Form 8689	Allocation of Individual Income Tax to the U.S. Virgin Islands
Form 8805	Foreign Partner's Information Statement of Section 1446 Withholding Tax
Form 8833	Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)
Form 8854	Initial and Annual Expatriation Statement
Form 9143	Request for Missing Information or Papers to Complete Return (International Returns)

Exhibit 3.22.3-14 (Cont. 1) (11-08-2021)**Tax Forms and Internal Use Forms**

Form	Title
Form 13900	<i>Letter 4087C</i> Correspondence Action Sheet International Returns (internal use)
Form 13975	Form 1040-SS (or Form 1040-SS (sp)) Correspondence Action Sheet (internal use)
Form 14653	Certification by U.S. Person Residing Outside of the United States for Streamlined Foreign Offshore Procedures
Form 14654	Certification by U.S. Person Residing in the United States for Streamlined Domestic Offshore Procedures
Form 8288-A	Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests
Form W-2	Wage and Tax Statement
<i>Letter 86C</i>	Referring Taxpayer Inquiry/Forms to Another Office
Letter 513C	Foreign Student/Visitor FICA Claim; Employee's Letter
<i>Letter 2894C</i>	Returns Incomplete for Processing - Form 1040-SS
<i>Letter 2894C/SP</i>	Return Incomplete for Processing - Form 1040-SS - Spanish Version (Form 1040-SS (sp))
<i>Letter 4087C</i>	International Return Incomplete for Processing: Form 1040-NR, 1040, 1040A, 1040EZ
Schedule NEC	Tax on Income Not Effectively Connected with a U.S. Trade or Business (Form 1040-NR)
Schedule OI	Form 1040-NR Z (p. 2) Other Information

Exhibit 3.22.3-15 (04-17-2024)**Acronyms**

The following is a list of acronyms used in this IRM.

Acronym	Term
AC	Action Code
ACA	Affordable Care Act
AGI	Adjusted Gross Income
AM	Accounts Management
APO/FPO	Army/Fleet Post Office
APTC	Advance Premium Tax Credit
AS	American Samoa
ATIN	Adoption Taxpayer Identification Number
AUSC	Austin Submission Processing Service Center
AVS	ACA Verification Service
CARE	Computed Assisted Review of ERS
C&E	Code & Edit
CCC	Computer Condition Code
CI	Criminal Investigation
CNMI	Commonwealth of the Northern Mariana Islands
CSPC	Cincinnati Submission Processing Center
CTC	Child Tax Credit
DLN	Document Locator Number
DOL	Department of Labor
DSI	Dependent Status Indicator
EC	Error Code
EIC and EITC	Earned Income Tax Credit
ERS	Error Resolution System
FATCA	Foreign Account Tax Compliance Act
FIRPTA	Foreign Investment in Real Property Tax Act
FLC	Filing Location Code
FS	Filing Status
FUTA	Federal Unemployment Tax Act
GU	Guam

Exhibit 3.22.3-15 (Cont. 1) (04-17-2024)**Acronyms**

Acronym	Term
ICT	Image Control Team
IDRS	Integrated Data Retrieval System
IMF	Individual Master File (Form 1040 family)
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
IRPTR	Information Returns Transcript File On Line
IRSN	IRS Number
ITIN	Individual Taxpayer Identification Number
KCSPC	Kansas City Submission Processing Center
LB&I	Large Business and International Division
MAGI	Modified Adjusted Gross Income
MeF	Modernized E-File
MFS	Married Filing Separately
NAP	National Accounts Profile
NRA	Nonresident Alien
ODC	Credit for Other Dependents
OVDP	Offshore Voluntary Disclosure Program
PBGC	Pension Benefit Guaranty Corporation
PR	Puerto Rico
PTC	Premium Tax Credit
RIVO	Return Integrity and Verification Operations
RPC	Return Processing Code
RPD	Return Processed Date
RPI	U.S. Real Property Interests (on Form 6251)
RPP and RRSPS	Canadian Retirement or Pension Plan
RRB	Railroad Retirement Board
RRTA	Railroad Retirement Tax Amount
SE	Self-Employment
SERP	Servicewide Electronic Research Program (website)
SP	Submission Processing

Exhibit 3.22.3-15 (Cont. 2) (04-17-2024)**Acronyms**

Acronym	Term
SPC	Special Processing Code
SRP	Shared Responsibility Payment
SSA	Social Security Administration
SSN	Social Security Number
SSPND	Suspend Return with Action Code
SST	Social Security Tax
TIN	Taxpayer Identification Number
TPNC	Taxpayer Notice Code
TS	Taxpayer Services
TY	Tax Year
UA	Unallowable Code
USCIS	United States Citizenship and Immigration Services
USVI	United States Virgin Islands
UT	Uncollected Social Security and Medicare Tax on Wages

Exhibit 3.22.3-16 (01-17-2023)
Calculation Examples for EC 156

The following are examples of calculations of the Foreign Earned Income Exclusion using the steps in the instructions in EC 156 at IRM 3.22.3.147.2.

Step	Action
1	Taxpayer Y indicates on Form 2555 that they are excluding both foreign wages of \$2,282 (line 19 of Form 2555) and business income. Schedule C line 7 is \$194,579. Total foreign earned income (FEI) is equal to \$196,861.
2	Form 2555, line 43 is \$101,545. The Percentage for Allocation is $101,545/196,861$, or 52%.
3	The taxpayer has no entries on Schedule 1 lines 11-25 of Form 1040.
4	Schedule C has expenses of \$20,123 on line 28. Allocable expenses are $.52 \times \$20,123$, or \$10,464.
5	The Total Foreign Earned Income Exclusion is $\$101,545 - \$10,464$, or \$91,081. The taxpayer claimed an exclusion of \$89,400, and so the calculated exclusion is greater than the taxpayer exclusion and no adjustment is required. Enter "C" in the Clear field.

Step	Action
1	Taxpayer Z indicates on Form 2555 that she is excluding both foreign wages and business income. Foreign wages are \$45,900. Schedule C line 7 is \$42,000. Total foreign earned income (FEI) is \$87,900.
2	Form 2555, line 43 is \$87,900. Percentage for Allocation is $87,900/87,900$, or 100%.
3	The taxpayer has a deduction for Schedule SE on Schedule 1 line 15 of Form 1040 of \$2,052, and 100% is deductible.
4	Schedule C has expenses of \$8,828 (line 28) + \$4,134 (line 30) = \$12,962, and 100% is deductible.
5	Total Foreign Earned Income Exclusion is $\$87,900 - \$2,052 - \$12,962$, or \$72,886. The taxpayer claimed a total exclusion of \$87,900. Since this is greater than the calculated exclusion, enter \$72,886 in Field 3445, and adjust Field 04OTI with \$72,886 as a negative amount.

Exhibit 3.22.3-17 (01-01-2026)**Return Due Date**

This table displays the legal return due date by form for international individual income tax returns; the calendar Tax Year 2025 due date after adjustment for applicable weekend and holiday days; and the due date for tax returns edited with CCC N (see IRM 3.22.3.13, *Late Filed Returns/Reasonable Cause*).

Form	Doc Code	Legal Due Date After End of Taxable Year	Due Date TY 2025	CCC “N” Present
1040	All	15th day of fourth month	April 18, 2026	June 15, 2026
1040-SS (sp)	All	15th day of fourth month	April 18, 2026	June 15, 2026
1040-SS	All	15th day of fourth month	April 18, 2026	June 15, 2026
1040-NR	73	15th day of fourth month	April 18, 2026	not applicable
1040-NR	72	15th day of sixth month	June 15, 2026	not applicable