

The Secret IRS Transcript: How to Obtain, Interpret & Analyze the IRS TXMODA

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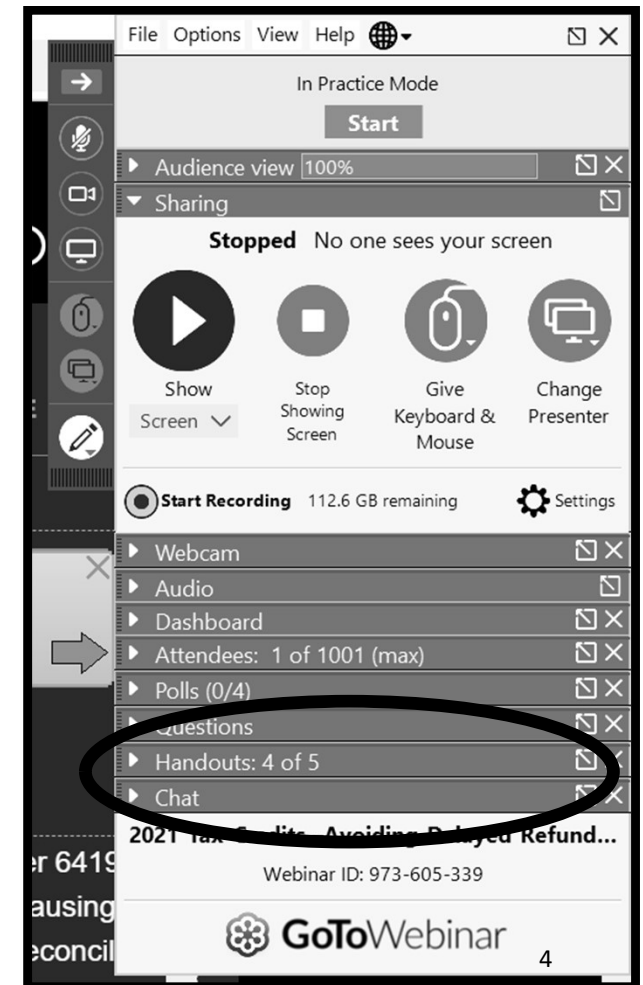
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Handout Overview

- Webinar Slides (pdf)
 - This can be used as a manual on how to analyze your TXMODA
- FOIA Template (word)
- TXMOD Heading Data Key (pdf)
- TXMOD Posted Return Data Key (pdf)
- Example TXMODA Analysis Worksheet (excel)





Roger Nemeth, EA, NTPI Fellow President, Tax Help Software

- Started managing tax franchises in 2006.
- Developed Audit Detective Transcript Reports in 2009.
- Qualified as an N.T.P.I. Fellow in 2015.
- Worked as a programmer for the largest Tax Resolution Company integrating automated transcript systems into workflow programs.
- Assisted in the downloading and research of over 30 million transcripts.



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Presentation Overview

This presentation will cover the basic concepts in obtaining, interpreting, and analyzing TXMOD transcripts (specifically the TXMODA for individuals). Due to time and material constraints, we will focus on those sections that most apply to tax professionals in regard to tax research for tax resolution cases.

Examples will be shown including best practices on how to use the data in the TXMODA.

Due to the difficulty in obtaining TXMODA this presentation only used a small sample set. If you notice an error or have something to add please save it until the Q&A section at the end of the presentation.

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Recently several of our webinars have been rebroadcast or used by other practitioners or companies to do their own presentations. I absolutely believe in collaboration with other tax professionals but please do not use all or part of this presentation without permission. A lot of work goes into these presentations.



Acronyms Used in Presentation

ACRONYM	MEANING	CONTEXT
ACS	Automated Collections System	Automated Collection System Support (ACSS) is a Compliance Operation, supporting ACS Call-Sites, resolving correspondence from taxpayers, their representatives, and/or third party contacts.
ASED	Assessment Statute Expiration Date	The IRS has a limited time to assess, via audit, additional tax debt. The ASED is the date after which additional assessment by the IRS is prohibited.
BMF	Business Master File	IRS shorthand for business taxpayer information within IRS computer systems.
CSED	Collection Statute Expiration Date	The IRS has a limited time to collect a tax debt, starting 10 years from the date of assessment (plus tolling events). The CSED is the date the debt is no longer legally enforceable.
FOIA	Freedom of Information Act	
IA	Installment Agreement	Monthly repayment plan to the IRS, may or may not have a set term.
IDRS	Integrated Data Retrieval System	Used by IRS employees to retrieve data from a filed tax or information return for an individual taxpayer, business, or organization



Acronyms Used in Presentation

ACRONYM	MEANING	CONTEXT
IMF	Individual Master File	IRS shorthand for business taxpayer information within IRS computer systems.
IRM	Internal Revenue Manual	The IRM is the primary, official source of "instructions to staff" that relate to the administration and operation of the IRS. It details the policies, delegations of authorities, procedures, instructions and guidelines for daily operations for all IRS organizations
PPS	Practitioner Priority Service aka Practitioner Priority Line	Phone line specifically for use by Tax Pros, can use to complete investigations on multiple taxpayer accounts or be directed to collections or exams.
RO	Revenue Officer	IRS collection employee located at a local group office, works more complicated issues than ACS.
RSED	Refund Statute Expiration Date	The IRS limits the amount of time a refund may be issued to a taxpayer. The RSED is the date the refund is no longer payable.
TC	Transaction Code	Indicates IRS action on a particular tax period. Visible on an Account Transcript, Action Codes following a Transaction Code are only visible on a TXMOD transcript.

IRS Transcripts Are Confusing. TXMODAs Are VERY Confusing

Account transcripts by themselves are usually not considered evidence in tax court. From Grauer v. Commissioner, T.C. Memo. 2016-52 (Mar. 22, 2016) - **As the court noted, the IRS's "only evidence that such an agreement exists is an account transcript that [it] concedes is inaccurate and an indecipherable and unconvincingly explained collection of numerical codes."**

The TXMODs are even more confusing than the account transcripts described here.



Common TXMODA Uses

Obtaining Statute of Limitation Dates.

- Collection Statute Expiration Date (CSED)
- Refund Statute Expiration Date (RSED)
- Assessment Statutes Expiration Date (ASED)

Obtaining transaction codes & action/closing codes.

- Determine details of tolling events.
- Lien details.
- Collection event details.

Tracing case history.

Reviewing notices issued.

Reviewing for possible criminal investigations.

Reviewing pending transactions.

What Is A TXMODA

(from the IRM) TXMOD with the A definer (TXMODA) contains more detailed and more current account information than any other single command code. It includes all notice statuses, history items, control bases, and pending transactions. TXMOD information is only available when there is current activity on an account.

TXMODAs have the CSED for each assessment as well as the IRS closing and action codes that are not visible on normal transcripts.

How Can I Obtain A TXMODA

- Call the IRS Practitioner Priority Line (PPL/PPS) at 866-860-4259 and request it.
- Submit a FOIA request (Try step 1 three times before submitting FOIA).

Don't forget the most important step:
BE CHARMING & POLITE!!!!

NOTE: IRS employees working from home during the COVID pandemic have experienced difficulties in fulfilling TXMOD requests as they are not permitted to use a personal printer to print taxpayer info. IRS will begin phasing employees back to the office on May 8, 2022.

Luck Is Involved

I have had tax professionals tell me they have received everyone they ever asked for via phone and others who cannot even get them with a FOIA.



IRM Cites For Obtaining TXMODA Transcript



21.3.10.4.4 (11-06-2020) Transcript Requests (This Section relates to Priority Practitioner Services (PPS))

(1) There are two types of transcripts, external and internal:

- External: These transcripts are available through a system accessible to the general public, such as account transcripts and return transcripts through TDS. A limit of 10 transcripts per taxpayer may be provided when using TDS.
- Internal: These transcripts are available only through a system to which the general public does not have access, for example, TXMOD, RTVUE, and IRPTR prints from IDRS. This list is not all inclusive and could include other types of internal transcripts. Internal transcripts must be sanitized before releasing, requests for this type of transcript will also be limited to 10 internal transcripts per taxpayer.



IRM Note On Transcript Limits



IRS Newswire

November 16, 2021

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Issue Number: IR-2021-226
Inside This Issue

Tax professionals can now order more transcripts from the IRS

WASHINGTON – The Internal Revenue Service today announced that, effective Nov. 15, 2021, tax professionals are able to order up to 30 Transcript Delivery System (TDS) transcripts per client through the [Practitioner Priority Service®](#) line. This is an increase from the previous 10 transcripts per client limit.



IRM Cites For Obtaining TXMODA Transcript

21.3.10.4.4 (11-06-2020) Transcript Requests

(3) Transcripts designed for internal use require sanitization prior to providing them to a tax practitioner to ensure that inappropriate disclosures are not made. Electronically-sanitized transcripts must be provided in lieu of transcripts requiring manual sanitizing unless there is not one to meet the taxpayer's needs or the caller requests a specific type of transcript. If the caller requests more than one type of transcript, honor the caller's request. Follow instructions on the Quick Command Code Tool to sanitize the documents. You must review the internal transcript manually to avoid disclosing confidential taxpayer information. A cover letter is not required when using Enterprise Electronic Fax (EEFAX) for transcript requests since EEFAX automatically provides the cover sheet. However, a fax cover sheet must be used when using a manual fax machine. These requests will be processed within three (3) business days. See IRM 21.2.3.6, Sanitizing IDRS Transcripts, for additional details.



IRM Cites For Obtaining TXMODA Transcript

21.3.10.4.4 (11-06-2020) Transcript Requests

(4) You **must** review all transcripts thoroughly, including CC MFTRA and CC TXMOD. **Managerial approval is not required.** However, if you have any concerns, see your lead or manager prior to providing the transcripts to a tax practitioner.

(5) **If the caller requests a specific type of transcript (e.g., CC TXMODA, MFTRA, or ENMOD), provide the sanitized transcript.**

Note:

ENMOD is considered part of the account and if requested, should be provided with the proper authorization form.

Caution:

If the establishment date does not fall within the years/periods provided on Form 2848 or Form 8821 **do not** provide ENMOD information outside of the authority granted.

IRM Cites For Obtaining TXMODA Transcript

IRS stated on the June 19, 2019 webinar, Tax Transcripts: Alternatives to Faxing and Third-Party Mailing that **TXMODA Transcripts were an exception to the no faxing rule.**

Presentation Note: I was unable to obtain a copy of the webinar slides, but multiple people reported seeing this slide.

Online Info About TXMODA

Command Codes TXMOD and SUMRY

- Describes each section of the TXMODA and defines each field. Some of the definitions are unclear, but most are definable.

➤ IRM 2.3.11.4(01-01-2000)

- https://www.irs.gov/irm/part2/irm_02-003-011r#idm139799554727216

Master File Codes

- TXMOD Action/Closing Codes and other Transaction Codes for other transcript types.

- https://www.irs.gov/pub/irs-pia/2019_section8a_masterfilecodes.pdf





TXMODA Sections (Highlighted sections will be covered in this presentation.)

- a. **Heading Data**—basic tax account information (such as Primary Location Code, Filing Requirements, Collection TDA/TDI Assignment Code, etc.) and tax module information (Module Control DLN, Status and Balances, Freeze Codes, etc.). Indicators or selected data fields for most other types of data are included in Heading Data to assist in determining whether to view subsequent pages or use another Definer Code.
- b. **Account Merge/Resequence/Removal Data**—literal indicators, and cross-reference information if applicable, to show that this account has had data merged in from another account, or has had all or part of its data moved to another account, or has been dropped from the Master File.
- c. **Posted Return Data**—Contains standard data, variable data depending on type of return, and information about any payment actually posted with the return or (F1040 or F1041) about tax withholding credit claimed on the return.
- d. **Posted Transaction Data**—Contains a standard data line for each transaction and may contain additional lines for some transactions containing variable data depending on the particular transaction type.
- e. **Pending Return Data**—Contains data for Pending Tax Return (TC 150) transactions.
- f. **Pending Transaction Data**—See Posted Transaction Data.
- g. **Reject Transaction Data**—Contains transactions selected from GMF Reject file, ERS Suspense, and ERS Inventory.
- h. **Notice History Data**—Contains data regarding those notices issued for the account.

Additional TXMODA Sections

These sections are not listed as sections of the TXMOD in the IRM overall but they are listed below.

- Service Center History
- Master File History

Versions of the TXMOD

- I have observed several different versions of TXMOD transcripts and this is why. According to the IRM there are different variants that can be generated in the computer. The version you should specifically ask for over the phone or in the FOIA is a **TXMOD variant A**. I have had numerous people tell me they requested TXMODA and instead received one of the variants below. For example, a TXMODN would only contain the IRS Notice history data section.



Versions of the TXMOD con't

2.3.11.3 (01-01-2000) Command Code TXMOD

- 1) Command Code TXMOD is used to request for display all tax module information for a specific tax period on the TIF. The display consists of Entity data, posted returns, posted transactions, pending transactions, and reject data if available on IDRS TIF. The display shows the latest control DLN of the return.
- 2) Command Code TXMOD stores the TIN, File Source, TIN Type, MFT, Tax Period, Case Control Indicator, Name Control and, for EPMF, Plan Number as required data elements for subsequent processing.
- 3) For TXMOD a command code definer is required. Definer " A" will display most tax module information present on the TIF. Selected portions of a tax module can be requested for display by using CC TXMOD with definer "C" , "L" , " N" , "P" , "S" , or " X" . This display will consist of the heading data, which is the first fifteen lines of a normal display, along with the definer information requested. If no data is found for the requested segments of the TXMOD display, appropriate messages will be displayed.
 - a. TXMOD with definer "C" —Control Base Data, History Data and Pending Transaction Data.
 - b. TXMOD with definer "L" —Pending Transactions. The display consists of Heading, Entity, Resequence Transactions, Pending Transactions and Reject Transactions. In addition, all DLNs are displayed on the line following each Pending Transaction and Reject Transaction code.
 - c. TXMOD with definer "N" —Notice Data.
 - d. TXMOD with definer "P" —Posted and Pending Transaction data.
 - e. TXMOD with definer "S" —SC and MF Status History Data.
 - f. TXMOD with definer "X" —Status History Data and Notice Data.

TXMOD Content Varies

- TXMOD transcripts can vary depending on which sections are included and within each section it appears some fields are only visible if they have a value.
 - For example, in the Posted Return Info section if there is no recorded value for the SECND-SE-INCM field then it is not visible.
- Also, some of the sections have different fields based on the type of tax return filed.
 - For example, 940 TXMODA has different fields in the Posted Return Section than the 1040 TXMODA or the 1041 TXMODA.

2019 Posting Cycles
Enterprise Computer Center - MTB

Daily Processing (DP) starts on Friday and ends on Thursday. Weekly processing for all Masterfiles processes on Thursday evening.
 *SCIPAS will not process on official government holidays (Reference # KM00018499). **SCIPAS will process on Planned Deferred Days as normal.

													December 2018										
													Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu			
													201901	28	29	30	31						
														362	363	364	365						
January								February								March							
Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu
201901					1	2	3	201906	1	2	3	4	5	6	7	201910	1	2	3	4	5	6	7
201902	4	5	6	7	8	9	10	201907	8	9	10	11	12	13	14	201911	8	9	10	11	12	13	14
201903	11	12	13	14	15	16	17	201908	15	16	17	18	19	20	21	201912	15	16	17	18	19	20	21
201904	18	19	20	21	22	23	24	201909	22	23	24	25	26	27	28	201913	22	23	24	25	26	27	28
201905	25	26	27	28	29	30	31		53	54	55	56	57	58	59		29	30	31				
New Years Day	25	26	27	28	29	30	31										88	89	90				
21					18	**Planned Defer					18	Washington's Birthday											
MILK B-Day					22	Elongated Day/IF					19	Elongated Day/IMF DP											
					**Planned Defer																		
					28	Elongated Day/IF																	
April								May								June							
Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu
201914					1	2	3	201918						1	2	201923			1	2	3	4	5
201915	5	6	7	8	9	10	11	201919	3	4	5	6	7	8	9	201924	7	8	9	10	11	12	13
201916	12	13	14	15	16	17	18	201920	10	11	12	13	14	15	16	201925	14	15	16	17	18	19	20
201917	19	20	21	22	23	24	25	201921	17	18	19	20	21	22	23	201926	21	22	23	24	25	26	27
201918	26	27	28	29	30			201922	24	25	26	27	28	29	30	201927	28	29	30				
	116	117	118	119	120			201923	31								179	180	181				
													27	Memorial Day							14	**Planned Deferred Day	
													19	Elongated Day/IMF							17	Elongated Day/IMF DP	
July								August								September							
Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu
201927					1	2	3	201931						1	213	201936			1	2	3	4	5
201928	5	6	7	8	9	10	11	201932	2	3	4	5	6	7	8	201937	6	7	8	9	10	11	12
201929	12	13	14	15	16	17	18	201933	9	10	11	12	13	14	15	201938	13	14	15	16	17	18	19
201930	19	20	21	22	23	24	25	201934	16	17	18	19	20	21	22	201939	20	21	22	23	24	25	26
201931	26	27	28	29	30	31		201935	23	24	25	26	27	28	29	201940	27	28	29	30			
	207	208	209	210	211	212		201936	30	31							270	271	272	273			
	3	Weekly Day Processing							242	243											2	Labor Day	
	4	Fourth of July																				Elongated Day/IMF DP	
October								November								December							
Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Cycle	Fri	Sat	Sun	Mon	Tue	Wed	Thu
201940					1	2	3	201945	1	2	3	4	5	6	7	201949			1	2	3	4	5
201941					274	275	276	201946	305	306	307	308	309	310	311	201950			335	336	337	338	339
201942	4	5	6	7	8	9	10	201947	9	9	10	11	12	13	14	201951	6	7	8	9	10	11	12
201943	11	12	13	14	15	16	17	201948	15	16	17	18	19	20	21	201952	13	14	15	16	17	18	19
201944	25	26	27	28	29	30	31	201949	29	30						201953	34	348	349	350	351	352	353
	298	299	300	301	302	303	304	201950	326	327	328	329	330	331	332	201954	20	21	22	23	24	25	26
								201951	333	334						202001	27	28	29	30	31		
																	361	362	363	364	365		
																	24	Weekly Day Processing					
																	25	Christmas Day					

Document 5657 (Rev. 04/2018)
Catalog Number 444920

Department of the Treasury-Internal Revenue Service

IRS Cycle Dates

Cycle Date: 20191204

Year = 2019

Week = 12

Processing Day= 04

Some charts show the processing day as follows:

Friday = 1

Monday = 2

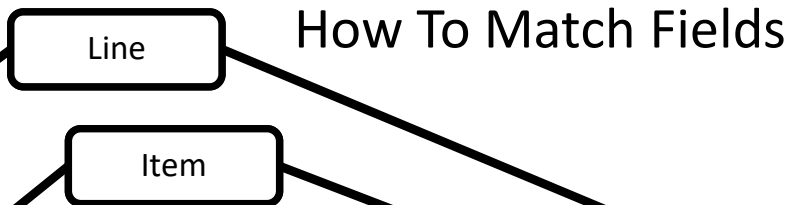
Tuesday = 3

Wednesday = 4

Thursday = 5

IRS Online Resource (Also includes Julian Dates):

<https://www.irs.gov/pub/irs-pia/6209sec16juliandatecyclenoticecalendars.pdf>



To identify the field definitions identify the line and then the item on that line. This info can be found in IRM: **2.3.11 Command Codes TXMOD and SUMRY**

		11-19	21-29	31-39	41-49	51-59	61-69	71-80	
1234567890123456789012345678901234567890123456789012345678901234567890									
-----POSTED RETURN INFORMATION-----									
1									
2									
3	RET-RCVD-DT>	1	MO-DELQ>	2	CRD>	3	TX/TPR>	4	
4	MTH-ERR>	1	MULT MATH ERRORS	30DAYNOT-CD>	3	EST TX DISCREPANCY	HIGH-INCOME>	5	
5	FS>	1	NUM-EXEMPT>	2	XREF-TIN>	3	MF-P>	4	F8615 PTIN>
6	AGI>	1	AEIC>	2	EST-TX-BASE>	3	SPC-Q>	4	
7	TXI>	1	PRIM-SE-INCM>	2	EST-CR-CLMD>	3			
8	SET>	1	SECND-SE-INCM>	2	UNAPPLD-CR-ELECT>	3			
9	PRI-UNREPTD-TIP-INC>	1	DDRR-CD>	2	FTHBRC-RCAP>	3	CBX>	4	
10	SEC-UNREPTD-TIP-INC>	1	F8888-IND>	2	EST-TX-FRGVNS-%>	3	USVI-IND>	4	
11	PRIM-F8919-SSA-WG-AMT>	1	SND-F8919-WG-AMT>	2					
12	PRIM-TOT-F8919-WG-AMT>	1	SND-TOTL-WG-AMT>	2					
13	SSA-ADL-MED-TX-AMT>	1	RRB-ADDL-MED-TX-AMT>	2					
14	NET-INV-INC-AMT>	1	NET-INV-INC-TX-AMT>	2					
15	ADV-PTC-AMT>	1	PTC-AMT>	2	COVERAGE-IND>	3			
16	PTC-LIAB-AMT>	1	PTC-LIMITATION-AMT>	2					
17	PTC-EXP-AMT>	1	SML-EMPLYR-HLTH-INS-CR-AMT>	2					
18	NON-COMPUTE-IND>	1							
19	TX-SHOWN-RTN-AMT>	1	TAX-ASSESSED-AMT>	2					
20	PMEI>	1	PMTI>	2	SMEI>	1	SMTI>	2	
21	-----RETURN TRANSACTION-----								
22	T/C	POSTED	TRANS-AMOUNT	CYC	T	DLN			
23	1	2	3	4	5	6	7	8	6020B
24	610	1	2	3	4				PAYMENT POSTED WITH RETURN
25	806	1	2	3	4				WITHLD TX CR POSTED W/RETURN
1234567890123456789012345678901234567890123456789012345678901234567890									
		1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80

Line	Item	Description
2	1	RETURN CONDITION CODES
2	2	MATH STATUS CODE—
		2=Math Error within tolerance
		3=Math Error Excess tolerance
3	1	RETURN RECEIVED DATE
2		MONTHS DELINQUENT CODE—Number of months delinquent (00-05).
3		CORRESPONDENCE RECEIVED DATE
4		TAX PER TAXPAYER—displayed if significant for any MFT.
4	1	MATH ERROR CODE—the first of any Math Error Codes posted on return is displayed.
2		MULT-MATH-ERRORS—indicates multiple math errors posted on return.
3		30-DAY-NOTICE-CD—values are
		0= No Code
		1=Timely Filed non-compute return.
		2=OIO return.
		4=IRS prepared or reviewed return with a type A math error code that was timely filed and resulted in an increase in tax and interest less than \$5.
		6=Combination of 2 and 4 above.
4		EST-TX-DISCREPANCY—indicates posted ES payments/credits disagreed with amount claimed on return.
5		HIGH-INCOME INDICATOR
5	1	FILING STATUS
2		NUMBER OF EXEMPTIONS
3		CROSS-REFERENCE TIN—from a Schedule C or D.
4		MASTER FILE "P" CODE
5		MINOR INDICATOR—"F8615" displays if this schedule filed on return.
6		PREPARER-TIN
6	1	ADJUSTED GROSS INCOME AMOUNT
2		ADVANCED EARNED INCOME CREDIT AMOUNT
3		ESTIMATED TAX BASE AMOUNT
4		MF-Q-IND
7	1	TAXABLE INCOME
2		PRIMARY TAXPAYER'S SELF—EMPLOYMENT INCOME
3		ESTIMATED TAX PAYMENT AMOUNT
8	1	SELF-EMPLOYMENT TAX—total on return
2		SECONDARY TAXPAYER SELF-EMPLOYMENT INCOME
3		UNAPPLIED CREDIT ELECT AMOUNT



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TXMOD Heading Data Key



Line	Item	Description	Line	Item	Description
1	1	Command Code Name—TXMOD	4	1	INV-SSN-REL—Indicator is displayed if the invalid SSN Refund freeze is "OFF" .
	2	CC Definer—A, C, L, N, P, S, or X (as entered)		2	SCSSN—displayed if Scrambled SSN Indicator is "ON" for this account.
	3	TIN AND DISPLAY FILE SOURCE		3	MOP/UN—Participant in a Military Operation or United Nations Peacekeeping Force Indicator.
	4	MFT		4	MILITARY OPERATION INDICATOR.
	5	TAX PERIOD		5	LAST MF EXTRACT CYCLE—cycle of last update for this module from the Master File.
	6	PLAN NUMBER—Present for all EPMF accounts and (BMF accounts with MFT 68 or 76 only. REPORT NUMBER— Present for BMF accounts with an MFT 46 only.		6	LAST MF EXTRACT DAY OF WEEK CODE
	7	NAME CONTROL—Check digit displays instead of name control on some "Dummy" accounts.		7	SC REASON CODE—Reason code for retaining tax module on data base. Used by Computer Branch Staff.
	8	DAILY-PROCESSING-INDICATOR— "DAILY" will be displayed when account qualifies for daily processing. It is for Individual Masterfile Processing(IMF) only.	5	1	CURRENT SC STATUS CODE.
	9	PDT/KITA/HSTG CODE—		2	DECISION POINT STAUP CODE
		"*PDT*" will be displayed for tax accounts identified as Potentially Dangerous Taxpayer			D = Decision point analysis uploaded notice request from IDS or the module was downloaded to IDS. Valid for status 48 or 50 only.
		"*CAU*" will be displayed for tax accounts identified as CAUTION IF PDT-IND = 2 (July 2001)			T = TDA analysis transfer. Valid for status 50 only.
		"KITA" will be displayed for tax accounts identified as belonging to individuals killed in a Terrorist Action (IMF only).		3	SC MODULE BALANCE—A total of the amounts contained in the pending transactions (type AP, TP, PN, RS, UNNN, CU, NU) plus the MF module balance. TC667 is excluded. A hyphen (-) in position 36 indicates a credit balance.
		"HSTG" will be displayed for tax accounts identified as belonging to individuals taken Hostage.		4	SC STATUS CYCLE.
2	1	MODULE CONTROL DLN.		5	SC STATUS CYCLE DAY OF WEEK CODE
	2	FOREIGN TRANSACTION—IMF indicator means the individual has a Foreign Bank Account. BMF indicator means the company is doing business in a foreign country.		6	NEXT IDRS NOTICE—displayed for SC Status Code "48" and "50" .
	3	LARGE COMPLEX CORPORATION CODE—Shows SC code for responsible Service Center.		7	MINIMUM NUMBER OF CYCLES DELAY—displayed for SC Status Code "48" .
	4	OUT OF BALANCE CAWR—Literal displayed when ODB—CAWR—INDICATOR is '1'.		8	BALANCE OF CYCLES DELAY—displayed for SC Status Code BALANCE OF CYCLES DELAY—displayed for SC Status Code "48" .
	5	BOD-CD (BUSINESS OPERATIONAL DIVISION)	6	1	CURRENT MASTER FILE STATUS CODE.
	6	BOD-CLIENT-CD		2	MASTER FILE MODULE BALANCE—A total of the amounts contained in the transactions posted to MF. A hyphen (-) in position 36 indicates a credit balance.
3	1	IRS EMPLOYEE CODE		3	MF STATUS CYCLE.
		1=Primary taxpayer is an IRS employee		4	MF STATUS CYCLE DAY OF WEEK CODE
		2=Secondary taxpayer is an IRS employee		5	CURRENT DATE
		3=Both taxpayers are IRS employees		6	ICS ACCOUNT CODE (INTEGRATED COLLECTION SYSTEM).
	2	REVERSE-VALIDITY-ON-TIF—Displayed if opposite SSN validity account is present on TIF. For IMF, BMF or IRAF SSN accounts only.	7	1	PENDING-TRANS—displayed if there are any tax module pending transactions.
	3	DUMMY/MEMO MESSAGE—If the account is a dummy, the message "DUMMY ACCOUNT" will appear. If the account is real but the tax module is a dummy, the message "DUMMY MODULE" will appear. If the module has been resequenced, the message "MEMO MODULE" will appear.		2	LAST NOTICE—if a Notice History Section is present the Notice Number of the last notice entry is displayed.
	4	ENTITY-CONTROL—Displayed if the Entity module contains any open Case Control.		3	ARDI CODE (ACCOUNTS RECEIVABLE DOLLAR INVENTORY).
	5	SADA—Displayed if SPOUSE AT DIFFERENT ADDRESS indicator (971-CD = 55) is present.		4	PRIMARY LOCATION CODE.
	6	TC148-CD		5	ACS ACCOUNT CODE.



Line	Item	Description	Line	Item	Description
8	1	AICS CODE (AUTOMATED INVENTORY CONTROL SYSTEM).	11	1	REFUND STATUTE EXPIRATION DATE
	2	SMALL BUSINESS AREA CODE		2	NAICS-CD
	3	COLLECTION LOCATION CODE.		3	OFFER IN COMPROMISE OIC—Acceptance-YR
	4	SFR IND.		4	TDI MOD STATUS CD—Displayed if significant.
	5	SECURED RETURN CODE—from Tax Return.			1 = Open TDI.
	6	PDC-MOD-CD			2 = Closed TDI.
9	1	ASED—Assessment Statute Expiation Date.			4 = First TDI Notice.
	2	LEFT POSITION FREEZE CODES.			5 = Second TDI Notice.
	3	RIGHT POSITION FREEZE CODES			6 =Third TDI Notice.
	4	AGREEMENT INDICATOR			7 = Fourth TDI Notice.
	5	AIMS CODE—will show the presence of an examination of a taxpayer's return as follows:			8 = Closed TDI Notice.
		0 = No examination of a taxpayer's module is on this account			9 =TIN Change-Suspense.
		1 = Examination data is present on one or more modules		5	TDI CYCLE.
		3 = Examination data is present on this large case related temporary TIN for 1 or more tax modules.		6	C CORPORATION INDICATOR.
		5 = Examination data is present on one or more tax modules for this temporary TIN which is not large case related.	12	1	ELECTRONIC DEPOSIT CODE—The year in which a taxpayer if required to start making deposits by electronic funds transfer.
	6	COLLECTION (TDA/TDI) ASSIGNMENT NUMBER.		2	ELECTRONIC FUNDS TRANSFER INDICATOR
	7	INPUT SYSTEM SOURCE CODE		3	DEFERRED ACTION INDICATOR
		C = display as SCR		4	GENERAL AGREEMENT ON TRADE AND TARIFF
		E = display as ELF	13	1	INSTALLMENT AGREEMENT DEFAULT NUMBER
		L = display as MEF		2	FILING REQUIREMENT OF MODULE IF DELINQUENT.
10	1	COLLECTION STATUTE EXPIRATION DATE.		3	IFRP-CD
	2	=====		4	PREPARER DESIGNEE CHECK BOX INDICATOR
		=====		5	PREPARER DESIGNEE ID NUMBER
		=====		6	PREPARER DESIGNEE PHONE NUMBER
	3	===== "E" =====	14	1	PAID-PREPARER-EIN
	4	MF CAF CODE—The Centralized Authorization File Code on the tax module (1–8) will be displayed, if present. Indicates that the taxpayer has authorized representatives for this tax period.		2	THIRD-PARTY-DESIGNEE-PIN
	5	BFS-CD		3	THIRD-PARTY-DESIGNEE-CHECKBOX
	6	6020B-MOD-IND		4	FRIVOLOUS-FILER-IND
	7	LIEN INDICATOR—If present.		5	LATEST F990 EO ORG CODE
		blank = No Lien Data.		6	EO STATUS 25 INDICATOR — BMF MFT 44 only
		1 = Lien Data on IDRS only.	15	1	BMF FILING REQUIREMENTS — If any present. See Table below:
		4 = Lien Data on MF only.			
		5 = Lien Data on IDRS and MF.			
	8	MOD YIELD SCORE—TDA Module yield score if significant, otherwise TDI module yield score if significant. Value over 99,999 displayed as 99999.			



Line	Item	Description
		For EPMF and NMF accounts the literal "INACTIVE ACCOUNT" is displayed if the FR Code is "8" otherwise field is blank.
	2	TDI F990 REPEATER CODE
	3	TWO PERCENT INTEREST DATE.
	4	TWO PERCENT DATE TURNED OFF INDICATOR—" 1" = TWO PERCENT INTEREST DATE has been set back to zeroes via an adjustment.
	5	EMPLOYMENT CODE—BMF only.
15a	1	MEF-BAL-DUE-IND.(IMF only)
		VALUES = 0 - NA
		1 - MEF balance due return posted on tax module
	2	IRA CODE—" 1" thru "7" or blank. This is an entity indicator and pertains to the last return filed as indicated on the IRM 2.3.15 ENMOD display. It does not necessarily apply to the tax module on the screen display.
		See IRM 2.3.27.68 ADP Systems Code Handbook. (IMF only).
	3	BACKUP WITHHOLDING INDICATOR.
	4	BACKUP WITHHOLDING NOTICE COUNT.
16	1	LEVY-971-IND
17	1	MODULE CASE CONTROL INDICATOR—Always displayed. "NO CASE CONTROLS" , "ALL CASE CONTROLS CLOSED" or "MULTIPLE OPEN CASE CONTROLS" or "ONE OPEN CASE" will be shown as appropriate. If there is only one open case this field will be blank and Lines 15 and 16 will be displayed.
	2	OPEN CONTROL BASE COUNT
	3	CLOSED CONTROL BASE CYCLE
	4	LATEST CASE CONTROL ACTIVITY—action date of most recent update to module case controls (maybe later than Line 16 action date).
18-19		Displayed only if Line 17 is displayed.
19		LAST OPEN CASE UPDATE—if the module has one open case control the latest information group for that case is displayed. See Exhibit 2.3.11-62.for explanation of Lines 15 and 16 elements

Heading Data (Example)

```

                                MFT>30   TX-PRD>200112   PLN-NUM>       NM-CTRL>
09221-354-10011-3<DLN                                BOD-CD>SB CLIENT-CD>W
                                                MF-XTRCT-CYC>20173805 SC-REASON-CD>FF
SC-STS>53   MOD-BAL>                297,194.53   CYC>201738
MF-STS>26   MOD-BAL>                297,194.53   CYC>20142805 TODAYS-DT>10/02/2017
                                                ARDI-CD>2   PRIMARY-LOC>8726
-----
ASSED>12152006 FRZ>T   -   |
CSED>07162018 INTL>    | CAF>1 FMS-CD>1                LIEN>5
RSED>10152005          | NAICS-CD>541600
-----
                                                BWI>2

LEVY-971-IND>1
CS-CTRL-INFO>NO CASE CONTROLS
```



Posted Return Data

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80
	1234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890							
1	-----POSTED RETURN INFORMATION-----							
2	RCC> 1 MATH-STS-CD>2							
3	RET-RCVD-DT> 1 MO-DELQ> 2 CRD> 3 TX/TPR> 4							
4	MTH-ERR> 1 MULT MATH ERRORS 30DAYNOT-CD>3 EST TX DISCREPANCY HIGH-INCOME>5							
5	FS>1 NUM-EXEMPT> 2 XREF-TIN> 3 MF-P>4 F8615 PTIN>							
6	AGI> 1 AEIC> 2 EST-TX-BASE> 3 SPC-Q>4							
7	TXI> 1 PRIM-SE-INCM> 2 EST-CR-CLMD> 3							
8	SET> 1 SECND-SE-INCM> 2 UNAPPLD-CR-ELECT> 3							
9	PRI-UNREPTD-TIP-INC> 1 DDRR-CD>2 FTHBCR-RCAP> 3 CBX>4							
10	SEC-UNREPTD-TIP-INC> 1 F8888-IND>2 EST-TX-FRGVNS-%> 3 USVI-IND>4							
11	PRIM-F8919-SSA-WG-AMT> 1 SND-F8919-WG-AMT> 2							
12	PRIM-TOT-F8919-WG-AMT> 1 SND-TOTL-WG-AMT> 2							
13	SSA-ADL-MED-TX-AMT> 1 RRB-ADDL-MED-TX-AMT> 2							
14	NET-INV-INC-AMT> 1 NET-INV-INC-TX-AMT> 2							
15	ADV-PTC-AMT> 1 PTC-AMT> 2 COVERAGE-IND>3							
16	PTC-LIAB-AMT> 1 PTC-LIMITATION-AMT> 2							
17	PTC-EXP-AMT> 1 SML-EMPLYR-HLTH-INS-CR-AMT> 2							
18	NON-COMPUTE-IND>1							
19	TX-SHOWN-RTN-AMT> 1 TAX-ASSESSED-AMT> 2							
20	PMEI> 1 PMTI> 2 SMEI> 1 SMTI> 2							
21	-----RETURN TRANSACTION-----							
22	T/C POSTED TRANS-AMOUNT CYC T DLN							
23	1 2 3 4 5 6 7 8 6020B							
24	610 1 2 3 4 PAYMENT POSTED WITH RETURN							
25	806 1 2 3 4 WTHLD TX CR POSTED W/RETURN							
	1234567890123456789012345678901234567890123456789012345678901234567890123456789012345678901234567890							
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80

Posted Return Data Key



Line	Item	Description	Line	Item	Description
2	1	RETURN CONDITION CODES	9	1	PRIMARY UNREPORTED TIP INCOME AMOUNT
	2	MATH STATUS CODE—		2	DIRECT DEPOSIT REJECT REASON CODE
		2=Math Error within tolerance		3	FTHBCR-RECAP
		3=Math Error Excess tolerance		4	CHECKBOX-IND
3	1	RETURN RECEIVED DATE	10	1	SECONDARY UNREPORTED TIP INCOME AMOUNT
	2	MONTHS DELINQUENT CODE—Number of months delinquent (00–05).		2	F8888-IND
	3	CORRESPONDENCE RECEIVED DATE		3	ESTIMATED TAX FORGIVENESS PERCENT
	4	TAX PER TAXPAYER—displayed if significant for any MFT.		4	USVI-IND
4	1	MATH ERROR CODE—the first of any Math Error Codes posted on return is displayed.	11	1	PRIMARY F8919 SSA WAGE AMOUNT
	2	MULT-MATH-ERRORS—indicates multiple math errors posted on return.		2	SECONDARY F8919 WAGE AMOUNT
	3	30-DAY-NOTICE-CD—values are	12	1	PRIMARY TOT F8919 WAGE AMOUNT
		0= No Code		2	SECONDARY TOT WAGE AMOUNT
		1=Timely Filed non-compute return.	13	1	SSA ADDITIONAL MED TAX AMOUNT
		2=OIO return.		2	RRB ADDITIONAL MED TAX AMOUNT
		4=IRS prepared or reviewed return with a type A math error code that was timely filed and resulted in an increase in tax and interest less than \$5.	14	1	NET INVESTMENT INCOME AMOUNT
		6=Combination of 2 and 4 above.		2	NET INVESTMENT INCOME TAX AMOUNT
	4	EST-TX-DISCREPANCY—indicates posted ES payments/credits disagreed with amount claimed on return.	15	1	ADVANCE PREMIUM TAX CREDIT AMOUNT
	5	HIGH-INCOME INDICATOR		2	PREMIUM TAX CREDIT AMOUNT
5	1	FILING STATUS		3	COVERAGE INDICATOR - values are 0 and 1
	2	NUMBER OF EXEMPTIONS			0 = no coverage or partial year coverage
	3	CROSS-REFERENCE TIN—from a Schedule C or D.			1= full year coverage per IRM 21.6.3.4.2.16.8.3
	4	MASTER FILE " P" CODE	16	1	PTC LIABILITY AMOUNT
	5	MINOR INDICATOR—"F8615" displays if this schedule filed on return.		2	PTC LIMITATION AMOUNT
	6	PREPARER-TIN	17	1	PTC EXPOSURE AMOUNT
6	1	ADJUSTED GROSS INCOME AMOUNT		2	SMALL EMPLOYER HEALTH INSURANCE CREDIT AMOUNT
	2	ADVANCED EARNED INCOME CREDIT AMOUNT	18	1	NON COMPUTE INDICATOR--values are
	3	ESTIMATED TAX BASE AMOUNT			0 = Conditional NOT PRESENT
	4	MF-Q-IND			1 = DELINQUENT FILED NON-COMPUTE RETURN POSTED
7	1	TAXABLE INCOME	19	1	TAX SHOWN ON RETURN AMOUNT -- will be the net of total tax per taxpayer plus claimed refundable tax credits on the return. Element is used for penalty & interest computations.
	2	PRIMARY TAXPAYER'S SELF—EMPLOYMENT INCOME		2	TAX ASSESSED ON RETURN AMOUNT -- is computed by master file, extracted to IDRS, and used for penalty & interest computations.
	3	ESTIMATED TAX PAYMENT AMOUNT	20	1	PRIMARY MEDICARE INCOME AMOUNT
8	1	SELF-EMPLOYMENT TAX—total on return		2	PRIMARY MEDICARE TIP INCOME AMOUNT
	2	SECONDARY TAXPAYER SELF-EMPLOYMENT INCOME		3	SECONDARY MEDICARE INCOME AMOUNT
	3	UNAPPLIED CREDIT ELECT AMOUNT		4	SECONDARY MEDICARE TIP INCOME AMOUNT
			22-24		STANDARD— See Exhibit 2.3.11-14.
			25		"Dummy" (generated) TC 806. Shows WITHHELD AND EXCESS FICA, posted to the Master File as part of the Tax Return record, as a separate transaction. Will be generated for the display only if the amount is not zero.
				1	RETURN RECEIVED DATE
				2	WITHHELD AND EXCESS FICA—combined total amount of credit for income tax withheld plus any claimed credit for Excess FICA tax withheld.
				3	CYCLE RETURN POSTED
				4	WITHHOLDING TAX CREDIT POSTED WITH RETURN—indicates this is the "Dummy" transaction generated to display the withholding amount posted in the return record.



Posted Return Data

Examples of
three different
TXMODAs and
they all have
different fields.

```
-----POSTED RETURN INFORMATION-----
RET-RCVD-DT>12152003      MO-DELQ>05      TX/TPR>      189,108.00
                                HIGH-INCOME>4
FS>2      NUM-EXEMPT>04
AGI>      656,452.00      EST-TX-BASE>      189,108.00
TXI>      594,972.00
SET>      6,123      SECND-SE-INCM>      461
TX-SHOWN-RTN-AMT>      189,108.00      TAX-ASSESSED-AMT>      189,108.00
PMEI>      208,684      SMEI>      461
```

```
-----POSTED RETURN INFORMATION-----
                                RCC>Y
RET-RCVD-DT>11282011      MO-DELQ>05      TX/TPR>      26,903.00
FS>1      NUM-EXEMPT>01      PTIN>66767
AGI>      89,738.00      EST-TX-BASE>      26,903.00
TXI>      80,988.00      PRIM-SE-INCM>      66,134
SET>      10,119
                                CKBOX>1
TX-SHOWN-RTN-AMT>      26,903.00      TAX-ASSESSED-AMT>      26,903.00
PMEI>      66,134
```

```
-----POSTED RETURN INFORMATION-----
RET-RCVD-DT>08012008      MO-DELQ>05      CRD>10022013
FS>2      NUM-EXEMPT>05
AGI>      168,634.00
TXI>      136,370.00
SET>      352
PMEI>      12,138      38
```



Posted Transaction Data

Line	Item	Description
3	1	PENDING TRANSACTION ID—blank for Posted Transactions
		UNPOSTABLE REASON CODE- blank if posted
	2	TRANSACTION CODE
	3	REVERSED TC INDICATOR—"R" if the transaction has been reversed.
	4	TRANSACTION DATE—See IRM 36(66)0 for explanation of transaction dates. Format is "MMDDYY " . For EMPF reversed TC 150's, this will be the date the return was received.
	5	TRANSACTION AMOUNT
	6	TRANSACTION CYCLE = YYYYWW
		DAY OF WEEK IND - Displayed immediately following the TRANS CYCLE, format is DD which valid value is 01-08.
	7	TRANSACTION INFORMATION CODE—"G" means Amended Return, "X" means Refile DLN, etc.)
	8	TRANSACTION DLN
	9	MULTIPLE/SPLIT REMITTANCE CODE—for TC 6XX
4	1	DESIGNATED PAYMENT CODE—for 6XX
	2	PENALTY REASON CODE—for some penalty transactions
5	1	TRACE-ID
	2	ESTIMATED TAX PENALTY AMOUNT WAIVED—for TC 17X
6	1	EFTPS-ELEC-DPST-IND-ELECTRONIC PAYMENT
	2	CASH BOND PAYMENT INDICATOR—identifies those TC 640 which are Cash Bond payments
7	1	INPUT COLLECTION STATUTE EXPIRATION DATE— Date input for TC-534 to identify the date associated with the write-off.
	2	COLLECTION STATUTE EXPIRATION DATE

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80
	1234567890123456789012345678901234567890123456789012345678901234567890							
1	-----POSTED TRANSACTIONS SECTION-----							
2								
3	1	2 3	4	5	6	7	8	MLT-SPLT-RMT>9
4	DESIG-PYMT-CD> 1 PNLTY-RSN-CD> 2							
5	TRACE-ID> 1 EST-PNLTY-WVD-AMT> 2							
6	EFTPS ELEC DPST CASH BOND PAYMENT							
7	INPUT-CSED> 1 CSED> 2							
24								
	1234567890123456789012345678901234567890123456789012345678901234567890							
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80

Posted Transaction Data

- Posted transaction data has several options for specific codes. The previously shown data is for transactions without exceptions. Some notable transactions that are exceptions and have extra data entry fields are;
 - 971 (Miscellaneous),
 - 29*/30* (Additional Assessments),
 - 42* (Audits/Exams), and
 - Several others.

971 Action Codes

- TC 971 is the most common IRS transaction code on transcripts.
- 971 is defined as the miscellaneous transaction code.
- To define what the 971 represents the IRS created “Action Codes” (I have also heard them referred to as “Closing Codes”).
- There are almost one-thousand 971 Action Codes listed in IRS 6209 Section 8c TC 971 Action Codes
- There are also Action Codes for many of the collection transactions. These help define the who, what and why of the transaction.
- Action codes are not shown on the IRA Account Transcripts. These codes are important when calculating CSED and other calculations.

Select 971 Action Codes Key



Action Code	Definition
12	Amended return/claim forwarded to Collection
13	Amended return/claim forwarded to Examination.
14	Amended return/claim forwarded to Statute Control
15	Amended return/claim forwarded to Underreporter
16	International cases – original returns go to Austin and claims go to Philadelphia (IMF)
17	For cross-reference, indicating that a return has posted to another TIN/MFT/TXPD – also for TC 972 (reversal)
18	Congressional/PRP indicator
19	Used for EPMF
020-029	Reserved for use with BMF.
30	Cross-Reference Information for TC 840/841 Refund reversals
31	Full Bankruptcy Discharged – also for TC 972 (reversal)
32	Fully Accepted OIC – also for TC 972 (reversal)
33	Partially Bankruptcy Abatement – also for TC 972 (reversal)
34	Partial Offer Acceptance – also for TC 972 (reversal)
35	Failure-to-Pay (FTP) trigger – also for TC 972 (reversal)
36	IRS Offset Bypass Refund (IMF) – also for TC 972 (reversal)
37	Manual Refund -Record of Cross Reference TIN or Address – also for TC 972 (reversal)
38	Early Intervention in the Inventory Delivery System – also for TC 972 (reversal)
39	Used for the CSED Backup recovery
40	BMF. Change deposit requirement to “1” (MFT 01, 09, 11)
41	BMF. Change deposit requirement to “2” (MFT 01, 09, 11)
42	BMF. Sets entity depositor status code
43	Pending Installment Agreement – also for TC 972 (reversal)
044*	On IMF, generated when CP 05 issued. Also reserved for BMF
045*	BMF – used for recoveries
45	Causes IMF generation of TC 400
46	FTD Alert Indicator
47	Taxpayer Has Filed Form 8842 – also for TC 972 (reversal)
048-049	Reserved for BMF
50	Sets the BOD-CD and BOD-CLIENT-CD on the account.
060*	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)-also for TC 972
061*	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)-also for TC 972
062*	Federal payment identified by BFS (formerly FMS) in the Federal Payment Levy Program. DLN contains specific information -IRM Exhibit 5.11.7-6.
63	Installment Agreement. FTP at ¼%. – also for TC 972 (reversal)
64	Section IRC 6404(g) interest suspension 3305 Date used for interest computations
65	Request for Innocent Spouse Relief Form 8857 Received. Generates an L-Freeze. TC 972 (IMF reversal) is used when claim has been closed.



Line	Item	Description
1	1-8	STANDARD— See Exhibit 2.3.11-38.
	9	AIMS SOURCE CODE
2	1	AIMS ASSIGNEE CODE
	2	AIMS ASSIGNEE CODE
	3	AIMS ASSIGNEE CODE

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Posted Transaction Data

-----RETURN TRANSACTION-----						
T/C	POSTED	TRANS-AMOUNT	CYC	T	DLN	
150	02092004	189,108.00	20040408	D	09221-354-10011-3	
806	04152002	57,372.00-	20040408		WTHLD TX CR POSTED W/RETURN	
-----POSTED TRANSACTIONS SECTION-----						
T/C	POSTED	TRANS-AMOUNT	CYC-DAY	T	DLN	
460	04152002	0.00	20022108		09217-096-29109-2	
						EXT-DT>08152002
460	04152002	0.00	20023708		09277-245-13706-2	
						EXT-DT>10152002
460	04152002	0.00	20023808		09277-222-16696-2	
						EXT-DT>10152002
924	03172003	0.00	20031308		29249-076-00000-3	
		NOTICE-CYCLES>200313-200330-200334-200339-				200343-
					REF-NUM>118 REF-AMT>	11,401.00
140	03172003	0.00	20031308		29249-076-00000-3	
170	02092004	1,573.00	20040408		09221-354-10011-3	
						CSED>20180716 ←
166	02092004	29,640.60	20040408		09221-354-10011-3	
						CSED>20180716 ←
276	02092004	14,490.96	20040408		09221-354-10011-3	
196	02092004	15,043.35	20040408		09221-354-10011-3	



Notice History Data

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	-----NOTICE HISTORY SECTION-----								
2	NOTICE	AMOUNT	CYC	S	AO				
3	1	2	3	4	5	6	7	UNALLW-CD>	8
24									
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	

Line	Item	Description	Line	Item	Description
This line will be repeated for each NOTICE GROUP present.					A - Another module in the account is in TDA status.
3	1	Literal "CP" + NOTICE NUMBER or NOTICE—TYPE (Dax)			D - Dishonored check posted to a module not previously in TDA status.
	2	NOTICE AMOUNT (blanks for NOTICE-TYPE 587)			G - Political Organization.
	3	NOTICE CYCLE			H - IR
	4	NOTICE CYCLE DAY OF WEEK CODE			I - Another module in this account is in TDI status.
	5	NOTICE SOURCE CODE			Q - TC 148-1 indicator present in the entity.
	6	NOTICE AO CODE			W - TC 148-3 indicator present on the entity.
	7	DISHONORED CHECK REASON CODE (if NOTICE—TYPE 587) or SECONDARY-TDA SELECTION-CODE (if non-numeric NOTICE-TYPE) else NOTICE-SUPPRESS-CODE			E - TC 148-4 indicator present in the entity.
		Notice-Suppress-Cd Values:			T - TC 148-5 indicator present on the entity.
		0 - Notice not selected or suppressed for review			U - TC 148-6 indicator present in the entity.
		1 - Notice systemically suppressed			N - TC 148-7 indicator present on the entity.
		2 - Notice selected for Review Register and, if CP504, mailed. Other than CP 504 notice may have been either mailed or destroyed.			S - TC 148-8 indicator present in the entity.
		4 - CP 504 Notice destroyed			L - TC 148-9 indicator present on the entity.
		SECONDARY-TDA-SELECTION-CD values:			R - Entity had 1 or more TDAs closed within the prior 12 months.
		5 - Multiple assessments present in module, earliest is within 6 months of CSED.			Z - Penalty and interest only TDA. 46
				8	Unallowable Code

Notice History Data

-----NOTICE HISTORY SECTION-----					
NOTICE	AMOUNT	CYC	S	AO	
CP059	0.00	200910	M	12	SUPPRESS-CD>0
CP014	42,503.26	201152	M	12	SUPPRESS-CD>0
DAS	42,503.26	201152	M	12	
CP504	42,753.93	201205	I	12	SUPPRESS-CD>0
DAS	42,503.26	20123405	M	13	
CP504	44,711.34	201310	I	13	SUPPRESS-CD>0
CPDP2	44,604.39	201314	I	13	SUPPRESS-CD>0
DAS	42,315.26	20131705	M	13	
DAP	41,676.26	20135205	M	13	
DAS	41,676.26	20143505	M	13	
DAS	41,676.26	20151805	M	13	
CP523	46,983.42	201525	I	13	SUPPRESS-CD>0
CPDP2	47,223.99	201534	I	13	SUPPRESS-CD>0
DAS	47,250.80	201535	I	13	

Service Center History Data

This line is repeated for each STATUS HISTORY ENTRY

3a	1	STATUS CODE
	2	STATUS DATE
	3	STATUS AMOUNT
	4	STATUS CYCLE
	5	STATUS CYCLE DAY OF WEEK CODE
If STATUS-CD is 48 or 50, the line will appear as follows		
3b	1	STATUS CODE
	2	DECISION POINT STAUP INDICATOR
		D = Decision point analysis uploaded notice request from IDS or the module was downloaded to IDS. Valid for status 48 or 50 only.
		T = TDA analysis transfer. Valid for status 50 only.
	3	STATUS DATE
	4	NEXT NOTICE NUMBER
	5	STATUS CYCLE
	6	STATUS CYCLE DAY OF WEEK CODE
	7	MINIMUM NUMBER OF CYCLES DELAY
	8	BALANCE OF CYCLES DELAY

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	-----SERVICE CENTER HISTORY SECTION-----								
2	SC-STS	DATE	STATUS-AMOUNT		CYC				
3a	<u>1</u>	<u>2</u>	<u>3</u>		<u>4</u>	<u>5</u>			
3b	<u>1</u> <u>2</u>	<u>3</u>	NXT> <u>4</u>		<u>5</u>	<u>6</u>	MIN-NUM-DELAY> <u>7</u>	BALANCE-CYC-DELAY> <u>8</u>	
24									
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	



Service Center History Data

```
-----SERVICE CENTER HISTORY SECTION-----
SC-STS    DATE        STATUS-AMOUNT    CYC
21      01092012        42,503.26    201152
77      01232012        42,503.26    201202
58      02132012        42,503.26    201205
48      03052012  NXT>505        201208    MIN-NUM-DELAY>08
48      04302012  NXT>505        201216    MIN-NUM-DELAY>03
48      05212012  NXT>505        201219    MIN-NUM-DELAY>09
58      03252013        42,503.26    201310
48D     04222013  NXT>505        201314    MIN-NUM-DELAY>06
60      04102013        42,295.26    201315
61      04102013        41,944.26    201336
60      04102013        41,944.26    201337
61      04102013        41,676.26    201524
64      04102013        41,676.26    201525
48D     09142015  NXT>505        201534    MIN-NUM-DELAY>03
50      09212015  NXT>505        201535    MIN-NUM-DELAY>00
22      09212015        41,676.26    201535
71      05162016        41,676.26    201617
```



Master File & Collection Status Codes

Master File Status Codes are found in IRS Document 6209-section-8a
(There are almost 100)

3 MF and IDRS Collection Status Codes

The Master File codes are MCC computer generated as a result of the computer analysis after a transaction has posted to the Master File. The Status Code designates the current collection status of the module and will appear on the MCC transcripts and on IDRS. The ten-digit abbreviations appear on the MCC transcripts only. IDRS Status Codes which are unique to IDRS or vary in meaning from similar MF status codes are identified by *.

Code	File	Abbreviation	Explanation
00	I/B	RT NOT FIL	Module is established but return is not filed.
02**	I/B/E	DEL STATUS	Return not posted; letter of inquiry mailed.
03**	I/B/E	TDI STATUS	IDRS in delinquency status. **NOTE: 02 and 03 Status Code are modified and further explained by Status Indicators following the Status Codes. (See Sec. 11 for a definition of these indicators)
04	I/B	EXT FILING	Extension of time for filing granted. (Date of status is extension application filing date.) Installment basis, when applicable, to Forms 1041, 990C, 990T and 1120.
05	B	7004 UNDER	7004 filed, underpaid installment notice sent. (990C, 990T, 1120 modules only.)
06	I/B/E	NO DEL RET	Delinquent return not filed. Collection activity suspended while examination or criminal investigation review, or until another tax period posts to the Master File.
08	B		CAWR-SSA IND = 1 cases. SSA working case, but not yet referred to IRS for followup. MFT 88.
09	B		CAWR and SSA IND = 2 cases. WIRS ordered and case is awaiting documents from WIRS. MFT 88.



Master File Status History Data

From the
6209-A MF
Status. This
list is not
complete
as shown.

Code	File	Abbreviation	Explanation
00	I/B	RT NOT FIL	Module is established but return is not filed.
02**	I/B/ E	DEL STATUS	Return not posted; letter of inquiry mailed.
03**	I/B/ E	TDI/DEL RET STATUS	IDRS in delinquency status. **NOTE: 02 and 03 Status Code are modified and further explained by Status Indicators following the Status Codes. (See Sec. 11 for a definition of these indicators).
04	I/B	EXT FILING	Extension of time for filing granted. (Date of status is extension application filing date.) Installment basis, when applicable, to Forms 1041, 990C, 990T and 1120.
05	B	7004 UNDER	7004 filed, underpaid installment notice sent. (990C, 990T, 1120 modules only.)
06	I/B/ E	NO DEL RET	Delinquent return not filed. TDI/DEL RET closed (TC 59X with no subsequent TC 592) or shelved (TC 598 with no subsequent TC 592) for processing. Collection action suspended while examination investigation review, or until another tax period posts to the Master File, or unable to locate, or not liable.
08	B		CAWR-SSA IND = 1 cases. SSA working case, but not yet referred to IRS for follow-up. MFT 88.
09	B		CAWR and SSA IND = 2 cases. WIRS ordered and case is awaiting documents from WIRS. MFT 88.
10	I/E	RT NT EVEN	Status Code 10 converted to status code 12, effective January 2002.
	B		CAWR case in suspense, awaiting receipt of research for next action. MFT 88.
11	B	MOD BAL	CAWR module in balance. MFT 88.
12	I/B	R OP OR PD	Return is filed or assessed or, if MFT 13, TC 240 posted, overpaid or subsequently collected.
*12	N		Full Paid-generated in response to Command Code STAUP or when TC 291 appends to a module in IDRS Status 89 and the IDRS module balance is less than tolerance.
13	B	R INSF REM	Return filed and assessed; inquiry letter sent regarding insufficient installment remittance—Form 990C, 990T, 1120, 2290 and 4638 only. Credit cannot be offset into the module.
14	B	INSTAL MBL	Form 1041 (without CC 5), or Form 706, 706NA, 4638, * 990C, 990T, 1120 and 2290 return is filed and assessed; or returns with Condition Code 5 (1120, 1041, 990C, 990T) filed and assessed. Balance due—installment basis and/or manual billing operations; no billing or computation of interest on the computer. Generate CP 191 BMF Transcript Notice whenever there is a deferred action 32 for current cycle or whenever a transaction posts to a module in other than TDA/BAL DUE status with this status present in the Status History Section. Form 1120, 990C and 990T must have CC 5.
16	B	1 NB DUE	CAWR CP Notice 251 issued. MFT 88.
18	B	BAL DU DEF	Form 706 return filed and assessed; balance due with no installment, however, settlement payment deferred for 26 cycles or until Treasury Bond payment (TC 678) is posted. Suppress notices.
16	B	1 NB DUE	CAWR CP Notice 251 issued. MFT 88.
18	B	BAL DU DEF	Form 706 return filed and assessed; balance due with no installment, however, settlement payment deferred for 26 cycles or until Treasury Bond payment (TC 678) is posted. Suppress notices.
19	I/B	R BAL NDUE	Status code 19 converted to status code 21, effective January 2002.
20	B	RET INSTAL	Return filed and assessed—installment basis and current—Forms 990C, 990T, 2290, 4638 and 1120 only. Credits cannot be offset into the module.
20	I	IDRS CP 501 NOTICE ISSUED	Return filed and assessed; First Notice issued. No longer being input but can be present on file.
21	I	IMF SETTLEMENT NOTICE	Return is filed and assessed or, if MFT 13, TC 240 posted—First Notice issued. Also update to Status 21 in the cycle the duplicate freeze is present and TC 606 criteria are met.
	B		CAWR Federal Entity. Correspondence issued. MFT 88.
22	I/B	TDA/BAL DUE REG	Return filed and assessed; or, if MFT 13, TC 240 posted TDA/BAL DUE issued, ACS. If module overpaid in Status 22, the status will not be updated to status 12 until the assessed module balance has been reduced to zero.
22	B	TDA/BAL DUE	Return is filed and assessed; TDA/BAL DUE issued ACS, Queue, ICS, or paper.

Code	File	Abbreviation	Explanation
			in Collateral Agreements.
*42	I/B		Stay of Collection (Non-Negotiable Collateral)—Generated when TC 524 with CC 40 or 42 pends to module. This status suspends all notices except those called for in Collateral Agreements.
43	B		CAWR or SSA IND = 2 case closed. Late reply received, worked, and closed. MFT 88.
*43	I/B		Stay of Collection (Combat)—Generated when there is a combat freeze on the account and the module is in an active notice or TDA/BAL DUE status. TC 500 with CC 50 pends to module. This status suspends all notices except those called for in Combat Deferrals.
44	B		Reply to CAWR Correspondence (no SSA IND = 2 cases). MFT 88.
*44	I/B		Stay of Collection (Military)—Generated when TC 500 with CC 51 pends to a module. This status suspends all notices except those called for in Military Deferrals.
45	B		CAWR and SSA IND = 2 cases, module re-analysis request. MFT 88.
46	B		CAWR - SSA IND = 2 cases only, undeliverable closed/no new address/end of program (PCD). MFT 88.
*46	I/B		Expired Stay of Collection (Military/Combat)—Generated when a TC 550 pends to a module in IDRS status 43 or 44. This status initiates action for issuance of a Military/Combat Suspension Notice and TDA/BAL DUE.
47	B		CAWR - Closed, Late reply received (needs to be worked). MFT 88.
*47	I/B		Temporary Freeze—Generated when a TC 470 with no CC pends to a module in IDRS notice status. This status suppresses all IDRS balance due notices up to a maximum of 15 cycles, unless reversed by TC 472 or released by 29X, 30X.
*48	I/B		Generated by Command Code STAUP when status 20, 22, 24, 26, 54, 56 or 58 is requested with a significant (non-zero) number of cycles to delay. Suppresses the IDRS balance due notice for up to 15 cycles, depending on control base information.
*49	I/B		Deleted transaction—Generated when certain transactions which altered the IDRS Status, are deleted. Initiates analysis to recover prior IDRS status.
*50	I/B		Revise IDRS Status—Generated by CC STAUP when status 20, 22, 24, 26, 54, 56, 58 is requested and number of cycles requested is 00. Causes module to be accelerated to the requested notice/TDA/BAL DUE status.
*51	I/B		Undelivered Notices—Generated by input CC STAUP 5100 if master file status 19 or 21 is present. Accelerates final notice.
*53	I/B		Currently not Collectible Account—Generated when TC 530 with CC 01-08 or 10-39 pends or posts to a module or when TC 470 with 90 or 93 pends or posts to a module. This status suppresses all IDRS balance due notices.
53	N		Currently not Collectible—Generated when TC 530 pends to a module with CC 01-08 or 10-39.
54	I	2nd Notice	IDRS CP 502 Notice Issued.
55	B		CAWR and SSA IND = 2 cases. 1534 C letter issued. MFT 88.
56	I/B	3rd Notice	IDRS CP 503 Notice Issued.
*57	I		Telephone Call Notice (Indefinitely suspended cycle 197927).
58	I/B	4th Notice	IDRS CP 504 Notice Issued.
*60	I/B		Installment—Generated when CC IAORG or IAREV is input to an account. Establishes active Installment Agreement. This status suspends all notices except those for Installment Agreements.
*61	I/B		Suspended Installment Agreements—Generated when certain conditions specified in Installment Agreements are encountered. This status suspends all notices except those called for in Installment Agreements.
*63	I/B		Deferred Installment Agreement—Generated when CC IADFR is input to an account. Defers Installment Agreements. This status suppresses all notices except those called for in Installment Agreements.
*64	I/B		Defaulted Installment Agreement—Generated when CC IADFL is input to an account, or whenever an Installment Agreement is defaulted. This status initiates a Notice of Default during weekly update and a TDA/BAL DUE eight cycles later.
67	B		CAWR and SSA IND = 2 cases, correspondence other than ST CD 16/21/28/42/55/69/90 issued. MFT 88.
68	B		CAWR and SSA IND = 2 cases, reply received on Interim letter issued. (Action 61 Interim) MFT 88.



Master File Status History Data

Line	Item	Description
This line is repeated for each STATUS HISTORY ENTRY		
If MF-STATUS-CD is not 02, 03 or 04, the line will appear as follows:		
3a	1	MF STATUS CODE
	2	MF STATUS DATE
	3	MF STATUS AMOUNT
	4	MF STATUS CYCLE

	5	MF STATUS CYCLE DAY OF WEEK CODE
	6	MF SELECTION CODE

If MF-STATUS-CD is 02 or 03, the line will appear as follows:

3b	1	MF STATUS CODE
	2	MF STATUS DATE
	3	MF STATUS INDICATOR
	4	NOTICE-AO-CD
	5	MF STATUS CYCLE
	6	MF STATUS CYCLE DAY OF WEEK CODE
	7	MF SELECTION CODE

If MF-STATUS-CD is 04 the line will appear as follows:

3c	1	MF STATUS CODE
	2	MF STATUS DATE
	3	EXTENSION DATE
	4	MF STATUS CYCLE
	5	MF STATUS CYCLE DAY OF WEEK CODE
	6	MF SELECTION CODE

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	
	1234567890123456789012345678901234567890123456789012345678901234567890								
1	-----MASTER FILE HISTORY SECTION-----								
2	MF-STC	DATE	STATUS-AMOUNT		CYC	CCNIP-SELECT-CD			
3a	1	2	3		4 5	6			
3b	1	2	IND>3 NTC-AO> 4		5 6	7			
3c	1	2	EXT-DT> 3		4 5	6			
24									
	1234567890123456789012345678901234567890123456789012345678901234567890								
	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80	



Master File Status History Data

```
-----MASTER FILE HISTORY SECTION-----
MF-STs    DATE        STATUS-AMOUNT    CYC                CCNIP-SELECT-CD
  04    05262008    EXT-DT>20081015    20082008
  02    03022009    IND>      NTC-AO>12    20091008                52
  02    03232009    IND>1     NTC-AO>12    20091008                52
  03    04272009    IND>7     NTC-AO>12    20091508                52
  03    06212010    IND>7     NTC-AO>22    20102308                23
  03    06282010    IND>8     NTC-AO>22    20102408                23
  06    06222011                0.00    20112608
  21    01092012                42,503.26    20115208
  58    02132012                42,503.26    20120505
  21    03252013                42,503.26    20131005
  58    03252013                42,503.26    20131005
  60    04102013                0.00    20131505
  22    09212015                41,676.26    20153505
```



Was/Is An RO Assigned

If the MF Status is status 26.

5.19.1.3.2.4 (10-01-2019) Revenue Officer (RO) Assignment

- 1) Revenue Officer (RO) assignment: If the account is in ST 26 and assigned to an RO or Group, proceed after noting the Exception information below:

```

                                MFT>30   TX-PRD>200112   PLN-NUM>       NM-CTRL>
09221-354-10011-3<DLN                                BOD-CD>SB CLIENT-CD>W
                                                MF-XTRCT-CYC>20173805 SC-REASON-CD>FF
SC-STS>53 MOD-BAL>          297,194.53   CYC>201738
MF-STS>26 MOD-BAL>          297,194.53   CYC>20142805 TODAYS-DT>10/02/2017
                                ARDI-CD>2   PRIMARY-LOC>8726
                                PDC-IND>00
-----
ASED>12152006 FRZ>T   -   |
CSED>07162018 INTL>   | CAF>1 FMS-CD>1           LIEN>5
RSED>10152005         | NAICS-CD>541600
-----
                                BWI>2
LEVY-971-IND>1
CS-CTRL-INFO>NO CASE CONTROLS
```

Criminal Investigations

The TXMODs should be redacted. They are supposed to redact any reference to a criminal investigation. Here are the transaction codes that indicate a criminal investigation has been referred or in process:

- TC 596 is a referral to CI.
- TC 910 is a CI hold.
- TC 916 and TC 918.
- TC 971 AC 281 Precursor RO has an approved Fraud Development Recommendation.
- TC 914 is actively being worked by CI.
 - This will result in a -Z freeze on the account.
 - -Z freeze code is usually redacted as well.

Taxpayer Special Indicator Codes

	1-9	11-19	21-29	31-39	41-49	51-59	61-69	71-80				
	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890	1234567890				
1	TXMOD2	3	MFT>	4	TX-PRD>	5	PLN-NUM>	6	NM-CTRL>	7	8	*PDT*
2	1	>DLN	FRGN TRANS	LRG-CORP>	3	OOB CAWR	BOD-CD>	5	CLIENT-CD>	6		

Line 1 Item 9 on the TXMOD header data are special indicators for the taxpayer. The definitions are to the right.

PDT/KITA/HSTG CODE—
"*PDT*" will be displayed for tax accounts identified as Potentially Dangerous Taxpayer
"*CAU*" will be displayed for tax accounts identified as CAUTION IF PDT-IND = 2 (July 2001)
"KITA" will be displayed for tax accounts identified as belonging to individuals killed in a Terrorist Action (IMF only).
"HSTG" will be displayed for tax accounts identified as belonging to individuals taken Hostage.

PDT

The Potentially Dangerous Taxpayer (PDT) and Caution Upon Contact (CAU) indicators are not required to be sanitized. These indicators may be removed on a case by case basis as determined by management. These indicators appear on CC INOLE, CC ENMOD, CC SUMRY, CC TDINQ, CC TXMOD, CC IMFOL, and CC BMFOL. For more information on PDT and CAU, refer to IRM 25.4.1, *Potentially Dangerous Taxpayer*, and IRM 25.4.2, *"Caution Upon Contact" Taxpayer*.



PDT Example

Recommended Process For Using TXMODA

My recommendation for a best practice to use the TXMODA transcript is to compare it to the regular Account Transcript. Best practice is to create an Excel sheet with the IRS transactions from the account transcript. Then compare the transactions on the TXMODA with the transactions listed on the spreadsheet. To the right make additional columns for reversed, closing codes, action codes, CSED and any others as needed.

Data points on the TXMODA that are useful are the return filed date, the ASED, RSED, & CSED.

Sample Spreadsheet is demonstrated later in this presentation.

Case Review Example Using TXMODA

- The following example demonstrates how to create a detailed analysis using the IRS Account Transcript and TXMODA. In this example, the IRS CSED does not match the Tax Help Software calculated CSED. The TXMODA will allow us to verify the tolling event outcomes that are not show on the IRS Account Transcript.
 - List all of your Account Transcript transactions in a spreadsheet in chronological order.
 - Compare the transactions on the TXMODA and see if any are missing.
 - Put all the action/closing codes into the spreadsheet for the corresponding transactions (from the TXMODA to the Account Transcript Transactions).
 - The IRS CSED should be available for each assessment (assessments on different dates have different CSEDs).
 - Use either the THS Manual CSED Calculator or an Excel spreadsheet to manually calculate the CSED.



Code	Explanation of Transaction	Date	Amount	Closing Code	Notes
806	W-2 or 1099 withholding	4/15/2007	(\$15,720.00)		
806	W-2 or 1099 withholding	4/15/2007	(\$3,890.00)		
140	Inquiry for non-filing of tax return	11/19/2007	\$0.00		
420	Examination of tax return	8/7/2008	\$0.00		
150	Substitute tax return prepared by IRS	8/18/2008	\$0.00		
570	Additional account action pending	8/18/2008	\$0.00		
595	Account referred for review	8/18/2008	\$0.00		
560	IRS can assess tax until 04-13-2012	9/17/2008	\$0.00		
160	Penalty for filing tax return after the due date 06-01-2020	4/20/2009	\$2,982.83		
161	Reduced or removed penalty for filing tax return after the due date	4/20/2009	(\$357.97)		
163	Penalty for filing tax return after the due date	4/20/2009	\$357.97		
170	Penalty for not pre-paying tax 06-01-2020	4/20/2009	\$524.24		
171	Reduced or removed penalty for not pre-paying tax	4/20/2009	(\$95.78)		
173	Penalty for not pre-paying tax	4/20/2009	\$95.78		
276	Penalty for late payment of tax	4/20/2009	\$1,856.00		
300	Additional tax assessed by examination 06-01-2020	4/20/2009	\$30,568.00		
336	Interest charged for late payment	4/20/2009	\$2,555.54		
421	Closed examination of tax return	4/20/2009	\$0.00		
971	Notice issued CP 0022	4/20/2009	\$0.00		
971	Collection due process Notice of Intent to Levy -- issued	12/14/2009	\$0.00		
971	Collection due process Notice of Intent to Levy -- return receipt signed	12/16/2009	\$0.00		
582	Lien placed on assets due to balance owed	12/18/2009	\$0.00		
971	Issued notice of lien filing and right to Collection Due Process hearing	12/22/2009	\$0.00		
530	Balance due account currently not collectable	9/20/2010	\$0.00		
531	Account currently considered collectable	6/21/2011	\$0.00		
276	Penalty for late payment of tax	12/26/2011	\$1,856.00		
971	Notice issued CP 071C	12/26/2011	\$0.00		
971	Notice issued CP 071C	12/24/2012	\$0.00		
971	Collection due process Notice of Intent to Levy -- issued	4/16/2013	\$0.00		
971	Collection due process Notice of Intent to Levy -- return receipt signed	4/22/2013	\$0.00		
971	Pending installment agreement	8/2/2013	\$0.00		
971	Installment agreement established	9/30/2013	\$0.00		
977	Amended return filed	10/2/2013	\$0.00		
277	Reduced or removed penalty for late payment of tax	4/14/2014	(\$972.50)		
290	Additional tax assessed 03-29-2025	4/14/2014	\$2,299.00		
971	Notice issued CP 0021	4/14/2014	\$0.00		
971	No longer in installment agreement status	6/16/2014	\$0.00		
971	Tax period blocked from automated levy program	6/23/2014	\$0.00		
971	Pending installment agreement	7/7/2014	\$0.00		
972	Removed installment agreement	1/12/2015	\$0.00		
971	Pending installment agreement	5/29/2015	\$0.00		
971	Installment agreement established	6/10/2015	\$0.00		
672	Removed payment 1040 200712	5/14/2016	\$600.00		
673	Payment	5/14/2016	(\$600.00)		
971	No longer in installment agreement status	10/17/2016	\$0.00		
971	Tax period blocked from automated levy program	10/24/2016	\$0.00		
196	Interest charged for late payment	12/25/2017	\$7,097.99		
276	Penalty for late payment of tax	12/25/2017	\$574.75		
971	Notice issued CP 071C	12/25/2017	\$0.00		
971	Pending installment agreement	7/18/2018	\$0.00		
971	Pending installment agreement	9/4/2018	\$0.00		
960	Appointed representative	9/17/2018	\$0.00		
971	Pending installment agreement	10/23/2018	\$0.00		
972	Removed installment agreement	10/23/2018	\$0.00		
583	Removed lien	5/24/2019	\$0.00		

Step 1

Place the IRS Account Transcripts transactions into a spreadsheet and then sort them into chronological order.

A zoomed in example is on the next slide.

Close Up Of Example Worksheet

Code	Explanation of Transaction	Date	Amount	Closing Code	Notes or 971 Code Definition
971	Collection due process Notice of Intent to Levy -- return receipt signed	12/16/2009	\$0.00		
582	Lien placed on assets due to balance owed	12/18/2009	\$0.00		
971	Issued notice of lien filing and right to Collection Due Process hearing	12/22/2009	\$0.00		
530	Balance due account currently not collectable	9/20/2010	\$0.00		
531	Account currently considered collectable	6/21/2011	\$0.00		
276	Penalty for late payment of tax	12/26/2011	\$1,856.00		
971	Notice issued CP 071C	12/26/2011	\$0.00		



	MFT>30	TX-PRD>200612	PLN-NUM>	NM-CTRL>
	889	352.00	888	129,729.00
	886	121,895.00		
421	04202009	0.00	20091408	
336	04202009	2,555.54	20091408	
276	04202009	1,856.00	20091408	
971	04202009	0.00	20091408	971-CD>804
	MISC>CP 0022			
971	05162009	0.00	20092108	971-CD>611
971	06162009	0.00	20092508	971-CD>401
971R	08172009	0.00	20093208	971-CD>060
971	12142009	0.00	20095108	971-CD>069
582	12182009	0.00	20095208	
	REGULAR LIEN			
971	12222009	0.00	20095208	971-CD>252
971	12162009	0.00	20100408	971-CD>066
971	03152010	0.00	20101008	971-CD>662
	XREF-TIN>	M		
530	09202010	0.00	20103908	
971	02142011	0.00	20110508	971-CD>262
531	06212011		20112608	

	MFT>30	TX-PRD>200612	PLN-NUM>	NM-CTRL>
971	06252011	0.00	20112708	971-CD>611
972	07182011	0.00	20112808	971-CD>060
971R	08222011	0.00	20113308	971-CD>060
971	08222011	0.00	20113308	971-CD>662
	XREF-TIN>			
971	12262011	0.00	20115008	971-CD>804
	MISC>CP 071C			
276	12262011	1,856.00	20115008	
971	12242012	0.00	20125005	971-CD>804
	MISC>CP 071C			
971	04162013	0.00	20131705	971-CD>069
971	04222013	0.00	20131805	971-CD>066
971R	08022013	0.00	20133205	971-CD>043
971	09302013	0.00	20134405	971-CD>063
972	11182013	0.00	20134505	971-CD>060
971	03082014	0.00	20141105	971-CD>611
971	10022013	0.00	20141205	971-CD>282
977	10022013	0.00	20141205 G	
161	04202009	357.97	20141305	
160R	04202009	357.97	20091408	
171	04202009			

Step 2

Compare the transactions on the TXMODA and see if any are missing.



Code	Explanation of Transaction	Date	Amount	Closing Code	Notes or 971 Code Definition
424R		8/12/2008	\$0.00		Reversed exam
971		5/16/2009	\$0.00	611	Third Party Contact notification made by Collection – also for TC 972 (reversal).
971		6/16/2009	\$0.00	401	REDACTED!!!!
971R		8/17/2009	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
971		3/15/2010	\$0.00	662	Federal Payment Levy Program - Levy issued. Miscellaneous field contains information.
971		2/14/2011	\$0.00	262	Maximum Failure To Pay Penalty Assessed – also for TC 972 (reversal)
971		6/25/2011	\$0.00	611	Third Party Contact notification made by Collection – also for TC 972 (reversal).
972		7/18/2011	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
971R		8/22/2011	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
971		8/22/2011	\$0.00	662	Federal Payment Levy Program - Levy issued. Miscellaneous field contains information.
971		10/2/2013	\$0.00	282	Delinquent Return Secured by Examination after the posting of an SFR TC 150. Will not set the duplicate return freeze. Will set the ASER.
972		11/18/2013	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
971		3/8/2014	\$0.00	611	Third Party Contact notification made by Collection – also for TC 972 (reversal).
972		5/5/2014	\$0.00	262	Maximum Failure To Pay Penalty Assessed – also for TC 972 (reversal)
972		6/14/2014	\$0.00	61	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC972
971		7/16/2016	\$0.00	611	Third Party Contact notification made by Collection – also for TC 972 (reversal).
972		10/15/2016	\$0.00	61	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC972
971R		2/13/2017	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
972		8/13/2018	\$0.00	60	Generated to denote BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC 972
971R		2/16/2019	\$0.00	470	Reserved
972		6/8/2019	\$0.00	470	Reserved

Step 2 (cont'd)

Compare the transactions on the TXMODA and see if any are missing.

➤ The Reversed exam is reversing the exam from the account transcript on 8/7/2008. Possibly no audit is needed for an SFR.

➤ The Letter 3164, Third Party Notice, series is issued by Collection and Exam employees to notify taxpayers of potential TPCs.

➤ The transaction on 10/2/2013 indicates an original return was submitted. The account transcript shows an amended return on the same date. An original return should be filed after an SFR not an amended.

➤ The 401 and 470 closing codes are redacted or reserved so not sure what these are.



TXMODA Can Also Be Used To Reverse Engineer The Original Return Filed Date

```

                                ARDI-CD>2    PRIMARY-LOC>8726
                                PDC-IND>00
-----
ASED>12152006 FRZ>T    -    |
CSED>07162018 INTL>    | CAF>1 FMS-CD>1    LIEN>5
RSED>10152005          | NAICS-CD>541600
-----
                                BWI>2
LEVY-971-IND>1
CS-CTRL-INFO>NO CASE CONTROLS
-----POSTED RETURN INFORMATION-----
RET-RCVD-DT>12152003    MO-DELQ>05    TX/TPR>    189,108.00
                                HIGH-INCOME>4

```

Just subtract three years from the ASED if shown. If the ASED is not present then presumably no original return has been filed. Also should be a 3-year difference between ASED and Return Received Date



Code	Explanation of Transaction	Date	Amount	Closing Code	Notes or 971 Code Definition
806	W-2 or 1099 withholding	4/15/2007	(\$15,720.00)		
806	W-2 or 1099 withholding	4/15/2007	(\$3,890.00)		
140	Inquiry for non-filing of tax return	11/19/2007	\$0.00		
420	Examination of tax return	8/7/2008	\$0.00		
150	Substitute tax return prepared by IRS	8/18/2008	\$0.00	SFR	
570	Additional account action pending	8/18/2008	\$0.00		
595	Account referred for review	8/18/2008	\$0.00		
560	IRS can assess tax until 04-13-2012	9/17/2008	\$0.00		
160	Penalty for filing tax return after the due date 06-01-2020	4/20/2009	\$2,982.83		
161	Reduced or removed penalty for filing tax return after the due date	4/20/2009	(\$357.97)		
163	Penalty for filing tax return after the due date	4/20/2009	\$357.97		
170	Penalty for not pre-paying tax 06-01-2020	4/20/2009	\$524.24		
171	Reduced or removed penalty for not pre-paying tax	4/20/2009	(\$95.78)		
173	Penalty for not pre-paying tax	4/20/2009	\$95.78		
276	Penalty for late payment of tax	4/20/2009	\$1,856.00		
300	Additional tax assessed by examination 06-01-2020	4/20/2009	\$30,568.00		
336	Interest charged for late payment	4/20/2009	\$2,555.54		
421	Closed examination of tax return	4/20/2009	\$0.00		
971	Notice issued CP 0022	4/20/2009	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Collection due process Notice of Intent to Levy -- issued	12/14/2009	\$0.00	69	Due Process Notice was issued -- also for TC 972 (reversal)
971	Collection due process Notice of Intent to Levy -- return receipt signed	12/16/2009	\$0.00	66	Return receipt signed -- also for TC 972 (reversal) Note: If the Due Process was delivered in person, ACs 69 and 66 are input the same date. If the Due Process Notice was left at the Taxpayer's home or business instead of being mailed, ACs 69 & 67 are input the same date.
582	Lien placed on assets due to balance owed	12/18/2009	\$0.00		Regular Lien
971	Issued notice of lien filing and right to Collection Due Process hearing	12/22/2009	\$0.00		Lien CDP Notice sent to taxpayer, Reserved for ALS -- also for TC 972 (reversal)
530	Balance due account currently not collectable	9/20/2010	\$0.00		
531	Account currently considered collectable	6/21/2011	\$0.00		
276	Penalty for late payment of tax	12/26/2011	\$1,856.00		
971	Notice issued CP 071C	12/26/2011	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Notice issued CP 071C	12/24/2012	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Collection due process Notice of Intent to Levy -- issued	4/16/2013	\$0.00	69	Due Process Notice was issued -- also for TC 972 (reversal)
971	Collection due process Notice of Intent to Levy -- return receipt signed	4/22/2013	\$0.00	66	Return receipt signed -- also for TC 972 (reversal) Note: If the Due Process was delivered in person, ACs 69 and 66 are input the same date. If the Due Process Notice was left at the Taxpayer's home or business instead of being mailed, ACs 69 & 67 are input the same date.
971	Pending installment agreement	8/2/2013	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
971	Installment agreement established	9/30/2013	\$0.00	63	Installment Agreement. FTP at 1/4%. -- also for TC 972 (reversal)
977	Amended return filed	10/2/2013	\$0.00	G	
277	Reduced or removed penalty for late payment of tax	4/14/2014	(\$972.50)		
290	Additional tax assessed 03-29-2025	4/14/2014	\$2,299.00		
971	Notice issued CP 0021	4/14/2014	\$0.00	804	Generated when a master file/CADE notice is generated.
971	No longer in installment agreement status	6/16/2014	\$0.00	163	Out of Installment status -- also for TC 972 (reversal).
971	Tax period blocked from automated levy program	6/23/2014	\$0.00	61	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC972
971	Pending installment agreement	7/7/2014	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
972	Removed installment agreement	1/12/2015	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
971	Pending installment agreement	5/29/2015	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
971	Installment agreement established	6/10/2015	\$0.00	63	Installment Agreement. FTP at 1/4%. -- also for TC 972 (reversal)
672	Removed payment 1040 200712	5/14/2016	\$600.00		
673	Payment	5/14/2016	(\$600.00)		
971	No longer in installment agreement status	10/17/2016	\$0.00	163	Out of Installment status -- also for TC 972 (reversal).
971	Tax period blocked from automated levy program	10/24/2016	\$0.00	61	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC972
196	Interest charged for late payment	12/25/2017	\$7,097.99		
276	Penalty for late payment of tax	12/25/2017	\$574.75		
971	Notice issued CP 071C	12/25/2017	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Pending installment agreement	7/18/2018	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
971	Pending installment agreement	9/4/2018	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
960	Appointed representative	9/17/2018	\$0.00	MF-CAF-CD>2	
971	Pending installment agreement	10/23/2018	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
972	Removed installment agreement	10/23/2018	\$0.00	43	Pending Installment Agreement -- also for TC 972 (reversal)
583	Removed lien	5/24/2019	\$0.00		Regular Lien

Step 3

Put all the action/closing codes into the spreadsheet for the corresponding transactions (from the TXMODA to the Account Transcript Transactions).

Next slide is zoomed in.



Enlarged Snippet From Previous Slide

Code	Explanation of Transaction	Date	Amount	Closing Code	Notes or 971 Code Definition
971	Collection due process Notice of Intent to Levy -- return receipt signed	12/16/2009	\$0.00	66	Return receipt signed – also for TC 972 (reversal) Note: If the Due Process was delivered in person, ACs 69 and 66 are input the same date. If the Due Process Notice was left at the Taxpayer's home or business instead of being mailed, ACs 69 & 67 are input the same date.
582	Lien placed on assets due to balance owed	12/18/2009	\$0.00		Regular Lien
971	Issued notice of lien filing and right to Collection Due Process hearing	12/22/2009	\$0.00		Lien CDP Notice sent to taxpayer, Reserved for ALS – also for TC 972 (reversal)
530	Balance due account currently not collectable	9/20/2010	\$0.00		
531	Account currently considered collectable	6/21/2011	\$0.00		
276	Penalty for late payment of tax	12/26/2011	\$1,856.00		
971	Notice issued CP 071C	12/26/2011	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Notice issued CP 071C	12/24/2012	\$0.00	804	Generated when a master file/CADE notice is generated.
971	Collection due process Notice of Intent to Levy -- issued	4/16/2013	\$0.00	69	Due Process Notice was issued – also for TC 972 (reversal)
971	Collection due process Notice of Intent to Levy -- return receipt signed	4/22/2013	\$0.00	66	Return receipt signed – also for TC 972 (reversal) Note: If the Due Process was delivered in person, ACs 69 and 66 are input the same date. If the Due Process Notice was left at the Taxpayer's home or business instead of being mailed, ACs 69 & 67 are input the same date.
971	Pending installment agreement	8/2/2013	\$0.00	43	Pending Installment Agreement – also for TC 972 (reversal)
971	Installment agreement established	9/30/2013	\$0.00	63	Installment Agreement. FTP at ¼%. – also for TC 972 (reversal)
977	Amended return filed	10/2/2013	\$0.00	G	
277	Reduced or removed penalty for late payment of tax	4/14/2014	(\$972.50)		
290	Additional tax assessed 03-29-2025	4/14/2014	\$2,299.00		
971	Notice issued CP 0021	4/14/2014	\$0.00	804	Generated when a master file/CADE notice is generated.
971	No longer in installment agreement status	6/16/2014	\$0.00	163	Out of Installment status – also for TC 972 (reversal).
971	Tax period blocked from automated levy program	6/23/2014	\$0.00	61	Input to block module from BFS (formerly FMS) Continuous Levy program. (pending RIS)- also for TC972
971	Pending installment agreement	7/7/2014	\$0.00	43	Pending Installment Agreement – also for TC 972 (reversal)
972	Removed installment agreement	1/12/2015	\$0.00	43	Pending Installment Agreement – also for TC 972 (reversal)
971	Pending installment agreement	5/29/2015	\$0.00	43	Pending Installment Agreement – also for TC 972 (reversal)
971	Installment agreement established	6/10/2015	\$0.00	63	Installment Agreement. FTP at ¼%. – also for TC 972 (reversal)



Step 4 IRS CSEDs

Be careful about the CSEDs on the TXMODA. There can be multiple CSEDs if there are multiple assessments, but the actual CSED for most assessments should be shown on the assessment transaction. If the CSED is not shown on the transaction the CSED from the TXMODA header should be used. I believe the header CSED is the initial CSED, but I have not seen enough samples to confirm this with confidence.

```
SC-ST>22 MOD-BAL>          29,731.85 CYC>201816
MF-ST>22 MOD-BAL>          29,731.85 CYC>20181605 TODAY>06/15/2019
LAST-NOTICE>DAB ARDI-CD>1 PRIMARY-LOC>7514
```

```
ASED>10022018 FRZ>T - |
CSED>06012020 INTL> | CAF>2 BFS-CD>1
CSED>04152018
```

140	03172003	0.00	20031308	29249-076-00000-3
170	02092004	1,573.00	20040408	09221-354-10011-3
166	02092004	29,640.60	20040408	09221-354-10011-3
276	02092004	14,490.96	20040408	09221-354-10011-3

CSED>20180716

CSED>20180716

Not from the
CSED example
TXMODA



40% Of IRS CSED's With Tolling Are Inaccurate

According to the TIGTA Report: Recalculations of the Collection Statute Expiration Date Were Not Always Accurate from September 16, 2013 Reference Number: 2013-30-098

“Test results of a statistical sample of 75 tax modules from a population of 1,085 with manually recalculated CSEDs showed that 29 (39 percent) of the 75 tax modules contained errors. Twenty-one had inaccurate CSEDs and eight were missing the required documentation to support the CSEDs. Based on the results of our case review from a population of 1,085 tax modules that were manually recalculated between July 1, 2011, and June 30, 2012, we estimate that CSEDs for 260 tax modules were extended longer than they should have been, 43 tax modules were not extended as long as they should have been, and 116 tax modules were unverifiable.

Most errors were made by employees. These employees generally request CSED recalculations through the Integrated Collection System, and the request is systemically sent to the requesting employee's manager for approval. Managerial approval is required when CSEDs are extended or updated for any reason. However, the current internal controls requiring managerial approval are not effectively ensuring the accuracy of manually recalculated CSEDs.

An IRS computer system recalculates most CSEDs systemically. Random samples from eight separate activities that trigger systemic CSED recalculations showed that all CSEDs were accurate for six of the eight activities. However, the CSED recalculations were not always accurate for modules involving bankruptcies or estates.

TIGTA also identified nine taxpayers who received an annual balance due reminder notice after the CSED expired.”

10.6% Of Tolling Events Are Not Documented Properly

According to the TIGTA Report: Recalculations of the Collection Statute Expiration Date Were Not Always Accurate from September 16, 2013 Reference Number: 2013-30-098

“Test results of a statistical sample of 75 tax modules from a population of 1,085 with manually recalculated CSEDs showed that 29 (39 percent) of the 75 tax modules contained errors. Twenty-one had inaccurate CSEDs and eight were missing the required documentation to support the CSEDs. Based on the results of our case review from a population of 1,085 tax modules that were manually recalculated between July 1, 2011, and June 30, 2012, we estimate that CSEDs for 260 tax modules were extended longer than they should have been, 43 tax modules were not extended as long as they should have been, and 116 tax modules were unverifiable.”

In both reviews over 10% of the cases the tolling events could not be verified.

- $8/75 = 10.6\%$
- $116/1,085 = 10.6\%$



Some CSEDs Show Up On IRS Account Transcripts

About two years ago CSEDs started to show up on some account transactions under the original assessment. They do not show on the initial (most important) 150 assessment. In the example below the 290 was an adjustment with no assessment. If there was an assessment the 00-00-0000 would be replaced by the CSED.

460	Extension of time to file tax return ext. Date 10-15-2008	04-15-2008	\$0.00
170	Penalty for not pre-paying tax 05-26-2008	20082008 05-26-2008	\$246.00
276	Penalty for late payment of tax	20082008 05-26-2008	\$44.24
196	Interest charged for late payment	20082008 05-26-2008	\$29.83
971	Notice issued CP 0014	05-26-2008	\$0.00
766	Tax relief credit	06-02-2008	-\$1,200.00
766	Credit to your account	06-02-2008	-\$300.00
290	Additional tax assessed 00-00-0000	20082108 06-02-2008	\$0.00
n/a	32254-999-05099-8		



Step 5 - Calculating CSED

- The IRS TXMODA shows a CSED of 6/1/2020.
- THS calculated the CSED as 8/30/2019.
- The original assessment date is 4/20/2009 so the statutory ten-year date is 4/20/2019 before tolling events are calculated.
- The IRS tolled for 408 days 6/1/2020 minus 4/20/2019 = 408 days.
- THS initially calculated 131 tolling days.
 - There is a difference of 277 days.
- Here are the tolling events from the transcript as imported by THS (and manually confirmed):

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending installment agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/16/2014	The Start Date and End Date should be the same	6/16/2014	0	30	30
971 - Pending installment agreement	7/7/2014	972 - Removed installment agreement	1/12/2015	Reversed		
971 - Pending installment agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending installment agreement	7/18/2018	Ended by another pending IA - Event reversed	9/4/2018	Reversed		
971 - Pending installment agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed		
971 - Pending installment agreement	10/23/2018	972 - Removed installment agreement	10/23/2018	Reversed		
					Total Days	71 131

Calculating The CSED (cont'd)

- First I am going to look at the reversed installment agreements.
- Starting with the pending IA on 7/7/2014 I change the reversal to a rejected on the date of the reversal – 1/12/2015
- This recalculates the number of tolling days to 320. Now I need to find another event for 88 days (IRS 408 tolling days – THS 320 tolling days).

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending installment agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/16/2014	The Start Date and End Date should be the same	6/16/2014	0	30	30
971 - Pending installment agreement	7/7/2014	972 - Removed installment agreement	1/12/2015	Reversed		
971 - Pending installment agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending installment agreement	7/18/2018	Ended by another pending IA - Event reversed	9/4/2018	Reversed		
971 - Pending installment agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed		
971 - Pending installment agreement	10/23/2018	972 - Removed installment agreement	10/23/2018	Reversed		
Total Days						131

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending Installment Agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/6/2014	The Start Date and End Date should be the same	6/6/2014	0	30	30
971 - Pending Installment Agreement	7/7/2014	Installment agreement denied/rejected	1/12/2015	189	0	189
971 - Pending Installment Agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending Installment Agreement	7/18/2018	Ended by another pending IA - Event reversed	9/4/2018	Reversed		
971 - Pending Installment Agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed		
971 - Pending Installment Agreement	10/23/2018	972 - Removed Installment Agreement	10/23/2018	Reversed		72
Total Days						320



Calculating The CSED (cont'd)

- From the previous slide we are now looking for a tolling event for 88 days to match the IRS calculation.
- Looking at the three Pending IAs between 7/18/2018 and 10/23/2018 we will try to find 88 days.
- I would also look for closing code 43 on each Pending IA (from the TXMODA) to identify the Pending IA counting as tolling events.

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending Installment Agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/6/2014	The Start Date and End Date should be the same	6/6/2014	0	30	30
971 - Pending Installment Agreement	7/7/2014	Installment agreement denied/rejected	1/12/2015	189	0	189
971 - Pending Installment Agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending Installment Agreement	7/18/2018	Ended by another pending IA - Event reversed	9/4/2018	Reversed		
971 - Pending Installment Agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed		
971 - Pending Installment Agreement	10/23/2018	972 - Removed Installment Agreement	10/23/2018	Reversed		73
Total Days						320





- | Tolling Description | Start Date | Tolling Ending Event | End Date | Duration | Additional Days | Total Days |
|---|------------|--|------------|----------|-----------------|------------|
| 971 - Pending Installment Agreement | 8/2/2013 | 971 - Installment agreement established | 9/30/2013 | 59 | 0 | 59 |
| 971 - No longer in installment agreement status | 6/6/2014 | The Start Date and End Date should be the same | 6/6/2014 | 0 | 30 | 30 |
| 971 - Pending Installment Agreement | 7/7/2014 | Installment agreement denied/rejected | 1/12/2015 | 189 | 0 | 189 |
| 971 - Pending Installment Agreement | 5/29/2015 | 971 - Installment agreement established | 6/10/2015 | 12 | 0 | 12 |
| 971 - No longer in installment agreement status | 10/17/2016 | The Start Date and End Date should be the same | 10/17/2016 | 0 | 30 | 30 |
| 971 - Pending Installment Agreement | 7/18/2018 | Installment agreement denied/rejected | 10/23/2018 | 97 | 0 | 97 |
| 971 - Pending Installment Agreement | 9/4/2018 | Ended by another pending IA - Event reversed | 10/23/2018 | Reversed | | |
| 971 - Pending Installment Agreement | 10/23/2018 | 972 - Removed Installment Agreement | 10/23/2018 | Reversed | | |
| | | | | | Total Days | 417 |



Disputing The CSED

- The two events that stand out to challenge are the Pending IA on 7/7/2014 and the three Pending IAs between 7/18/2018 and 10/23/2018.
- The taxpayer has two years after the levy to file for a request for refund. (RSED Rules)
- First I would FOIA (Freedom Of Information Act Request) all IRS communications (electronic and hand written) in regards to all the tolling events.
- I would then make sure each Pending IA met the four requirements to be a pending IA.
- After that was done I would also challenge the Pending IA on 7/7/2014 if no RO was assigned at the time (check the TXMODA MF-STS History Section) then any Pending IA longer than 14 Cycles (weeks) before 2016 or 26 cycles (weeks subsequent) should be reversed

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending Installment Agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/6/2014	The Start Date and End Date should be the same	6/6/2014	0	30	30
➔ 971 - Pending Installment Agreement	7/7/2014	Installment agreement denied/rejected	1/12/2015	189	0	189
971 - Pending Installment Agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
➔ 971 - Pending Installment Agreement	7/18/2018	Installment agreement denied/rejected	10/23/2018	97	0	97
➔ 971 - Pending Installment Agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed		
➔ 971 - Pending Installment Agreement	10/23/2018	972 - Removed Installment Agreement	10/23/2018	Reversed		
Total Days						75417

What Qualifies A Pending Installment Agreement A Tolling Event

IRS IRM 5.14.1.3 (09-22-2021) Identifying Pending, Approved and Rejected Installment Agreement Proposals on IDRS

4. Taxpayers need to provide specific information for installment agreement requests to be processed. Also, if the information in (a) through (d) below is provided, but it is determined that the agreement request was made to delay collection action, accounts should *not* be identified as being in pending installment agreement status. (See IRM 5.14.3.2.) To identify accounts as "pending" installment agreements, taxpayers must:

1. Provide information sufficient to identify the taxpayer: generally, the taxpayer's name and taxpayer identification number (TIN). If a taxpayer furnishes a name, but no TIN, and the taxpayer's identity can be determined, then pending status should be identified.
2. **Identify the tax liability to be covered by the agreement;**
3. **Propose a monthly or other periodic payment of a specific amount;**
4. **Be in compliance with filing requirements. (See IRM 5.14.1.4.2, Compliance and Installment Agreements).**

Reasonable Time For A Pending IA

If an account has an unreversed pending IA open for more than 14 weeks, if reversing transaction was input prior to January 21, 2016; 26 weeks if the reversing transaction was input on or after January 21, 2016 and there is no evidence of an IA request.

5.19.1.6.4.7 (09-26-2018)

Pending IA Criteria

Note:

A TC 972 AC 043 will systemically reverse TC 971 AC 043 in 26 cycles if an account does not go to ST 60, unless the module is in ST 26. This systemic reversal may take place within 26 cycles if a TC 520 (except cc 76-77), TC 530, TC 480, or TC 780 posts to the module.

NOTE: ST 26 on TAXMODA indicates an RO has been assigned to the case.



Disputing The CSED

- For the purposes of this scenario:
 - The IRS FOIA came back and showed documentation that the taxpayer made an IA offer on 7/7/2014 in writing identifying the amount owed and a specific offer amount of \$200 per month. The taxpayer was compliant at the time. There is no data explaining why the IA was rejected or why it took longer than 14 cycles (weeks).
 - No data was provided from the FOIA reference to the three pending IAs starting on 7/18/2018.
 - You prepare a written version of your challenge and call PPS but are denied by an IRS employee that has no idea what you are talking about. “CSEDs are CSEDs I cannot manually calculate them and my supervisor does not want to talk to you.”
 - You then file a Taxpayer Advocate 911 request and wait.

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending Installment Agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/6/2014	The Start Date and End Date should be the same	6/6/2014	0	30	30
971 - Pending Installment Agreement	7/7/2014	Installment agreement denied/rejected	1/12/2015	Reversed	0	0
971 - Pending Installment Agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending Installment Agreement	7/18/2018	Installment agreement denied/rejected	10/23/2018	Reversed	0	0
971 - Pending Installment Agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed	0	0
971 - Pending Installment Agreement	10/23/2018	972 - Removed Installment Agreement	10/23/2018	Reversed	0	0
Total Days						131



Disputing The CSED

- Two months later you hear back from the Taxpayer Advocate and they agree with your opinion that the tolling events were not documented in the system and the Pending IA on 7/7/2014 should have been reversed due to the time.
- The client receives a refund for \$50,000 plus interest from the time it was levied.
- The Taxpayer Advocate states the correct CSED for your calculations is 10/10/2020. (Which is what the THS calculations originally showed).
- You decide to check the transcripts to see if any payments were made after 10/10/2020 on that module. You find the taxpayer made a voluntary payment of \$10,000 on 10/12/2020 which is still within the two year RSED (Refund Statute Expiration Date) and after the CSED. You call PPS and ask for the \$10,000 to be refunded and they agree. Your client gets another \$10,000 refund plus interest from the time it was paid. I hope you charged enough!!!!

Tolling Description	Start Date	Tolling Ending Event	End Date	Duration	Additional Days	Total Days
971 - Pending Installment Agreement	8/2/2013	971 - Installment agreement established	9/30/2013	59	0	59
971 - No longer in installment agreement status	6/6/2014	The Start Date and End Date should be the same	6/6/2014	0	30	30
971 - Pending Installment Agreement	7/7/2014	Installment agreement denied/rejected	1/12/2015	Reversed	0	0
971 - Pending Installment Agreement	5/29/2015	971 - Installment agreement established	6/10/2015	12	0	12
971 - No longer in installment agreement status	10/17/2016	The Start Date and End Date should be the same	10/17/2016	0	30	30
971 - Pending Installment Agreement	7/18/2018	Installment agreement denied/rejected	10/23/2018	Reversed	0	0
971 - Pending Installment Agreement	9/4/2018	Ended by another pending IA - Event reversed	10/23/2018	Reversed	0	0
971 - Pending Installment Agreement	10/23/2018	972 - Removed Installment Agreement	10/23/2018	Reversed	0	0
Total Days						131

Taxpayer Advocate Has Identified A CSED Computer Glitch

According to the NTA Blog from September 7, 2018 the Taxpayer Advocate Service (**TAS**) identified a computer glitch that affected a large number of taxpayer's. The TAS identified five buckets of cases affected by these glitches:

- Bucket 1 = multiple pending IAs with only one corresponding rejected IA determination
- Bucket 2 = one pending IA and one approved IA where 52 or more weeks have passed
- Bucket 3 = multiple pending IAs with one approved IA, where 26 or more weeks have passed
- Bucket 4 = one pending IA with one rejected IA, at least 52 weeks later
- Bucket 5 = one pending IA, with no other action on the IA request for at least 52 weeks

The IRS reviewed cases in Bucket 3 and found 83% had miscalculated CSED (In an unpublished report). It is unknown at this time if the IRS has done anything else to fix this problem. According to this article any taxpayer in one of these buckets should contact their local TAS.

<https://taxpayeradvocate.irs.gov/news/NTA-blog-IRS-Working-to-Address-Collection-Activity-on-Accounts-with-expired-CSED?category=Tax%20News>

Conclusion

As demonstrated in this presentation TXMOD transcripts contain numerous additional data points that are not available from the transcripts readily obtained through normal channels. You must gauge if the time versus reward justifies the extra time needed to obtain and analyze these transcripts. Some of the data like the CSED, RSED, & ASSED are clear and obvious. Other data points can take hours to find what you are looking for. Also remember a transcript is not necessarily evidence an event took place. The actual evidence to prove certain events usually needs to be obtained through a FOIA. The TXMOD transcripts can point you in the right direction, but rarely have the missing piece of evidence.

QUESTIONS?

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