Process Accelerated Refunds

Process

KEY ON-LINE ACCELERATED REFUNDS

Effective Date

01/01/2026

Purpose

This task is performed to create accelerated refunds for customers. The Commissioner of the Revenue's Office Locality representative typically performs this task when a customer has met specific accelerated refund processing criteria.

Special Notes

- The **Submitted Date for returns and payments** is the postmark date if they are mailed to the local office or hand-stamped date if they are hand-delivered to the Commissioner of the Revenue.
- The **Submitted Date for accelerated refunds** is the date keyed.
- This task can be performed on current year Form 760 Handprint returns and Form 760CG (with/without a 2D barcode) refund returns for Individual Income Tax returns only.
- The following should be separated out and ***not*** keyed for an Accelerated Refund:
  - Form 760CG returns (with/without a 2D barcode) which bear the **XXXXX e-file indicator** in the upper right portion of the return (beside the Vendor ID field). These returns should be sent to Virginia Tax as Direct-file and accompanied by a LAP-Sort 2 Form. (Refer to FORM**:** LAP-SORT 2.)
  - Amended returns. These returns should be sent to Virginia Tax as Direct-file and accompanied by a LAP-SORT 2 Form. (Refer to FORM: LAP-SORT 2.)
  - Prior year returns. These returns should be sent to Virginia Tax as Direct-file and accompanied by a LAP-SORT 2 Form. (Refer to FORM: LAP-SORT 2.)
  - Returns for deceased customers.
  - Returns with a Name Change, Filing Status Change, and/or Address Change.
- Flat Form 760:
  - There is a LAR bubble in the bottom **left** margin which should be filled-in to identify a successfully processed local accelerated refund.
  - There is a DLAR bubble in the bottom **left** margin which should be filled-in to identify a *denied* local accelerated refund.
- Form 760CG (with/without a 2D barcode):
  - There is a LAR line in the bottom margin which should be completed with an "X" to identify a ***successfully*** processed local accelerated refund.
  - There is a DLAR line in the bottom margin which should be completed with an "X" to identify a ***denied*** local accelerated refund.
- Groups of Accepted Accelerated Refunds must be accompanied by a **completed GREEN** Local Accepted On-Line Accelerated Refund Group Control Document.

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- Groups of Denied Accelerated Refunds must be accompanied by a **completed PINK** Local Denied On-Line Accelerated Refund Group Control Document.

Procedure

Responsibility
Commissioner of the Revenue's Office Locality Representative

Steps

1. Obtain a group of **Category 1** returns identified in Mail Opening which may be eligible for an accelerated refund.
2. Sort the returns into three (3) groups as follows:
   - Group 1: Form 760 Handprint returns
   - Group 2: Form 760CG returns with a 2D barcode
   - Group 3: Form 760CG returns without a 2D barcode
3. Access IRMS and begin the processing of a new group of Accelerated Refund returns by selecting "Tax Information: Accelerated Return: Create".
   NOTE: Detailed data related to the Creation/Processing of Accelerated Refunds is found in Chapter 13-Create and View Accelerated Refund Returns in the IRMS User Guide for Localities.
   Once the "Tax Information: Accelerated Return: Create" is chosen, the Create New Group window opens and displays the eight-digit **Group Number** of the new group.
4. Obtain a blank LOCAL AR-**GREEN** Online Accelerated Refund-Accepted Group Control Document and complete the form as follows: (Please refer to On-line Accelerated Refund –Accepted Group Control Document.)
   A. Enter the name of the locality in the **Locality Name:** box in the upper left-hand corner of the document.
   B. Enter the locality's **FIPS Code** in the FIPS Code: block in the upper right-hand box on the sheet.
   C. Write the **Group Control Number** displayed on the **Create New Group** window on the sheet in the **Group Control Number** block.
   D. Circle the **Form Type** associated with the Group being keyed.
   E. Enter the name and i.d. of the person keying the returns in the **Online Operator Name and I.D.** box.
   F. Enter the date the group was keyed in month, day, and year sequence it the **Date Keyed:** box.
5. Compare the Group Number shown on the screen to the number written on the header sheet and make any corrections as needed.
6. Place the completed GREEN Accepted Group Control Document aside.
7. Key the required group information in the **Create New Group** window.
   NOTE: The Submitted Date and the Received Date default to the current date.
   A. Change the **Submitted Date**, as necessary.
   B. Change the **Received Date**, as necessary.
   NOTE: Several elements on the screen such as the **Return Source**, **Return Detail Type**, **Tax Year**, **Source Locality**, and **Locality/Tax Rep** fields will be pre-populated by the system.
   C. Select **CREATE** to open the **Accelerated Refund Return Entry** window.
8. Obtain a return from the group and review the document.
   NOTE: Prior review of returns in Mail Opening should have identified amended returns, prior year returns, returns for deceased customers, returns with a name and/or address change, incomplete returns, etc. which are **not eligible** for Accelerated Refunds. **STEPS 8A** – **8E** are performed in the event that these returns were not removed.
   A. If the amended checkbox is marked or "**Amended**" is written on the return, place the return aside in the stack to be handled as a **Direct File** return with a LAP-SORT 2 form. (Refer to FORM: LAP-SORT 2.)

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B. If the return is for a **prior tax year**, place the return aside in the stack to be handled as a **Direct File** return with a LAP-SORT 2 form. (Refer to FORM: [LAP-SORT 2].)

C. If the return shows a **name and/or address change**, place the return aside in the stack to be processed **without an accelerated refund**.

D. If the **deceased** checkbox is marked, place the return aside in a stack to be processed **without an accelerated refund**.

E. If the return is missing information necessary for processing, place the return aside in the "Miscellaneous" stack to be researched.
NOTE: Examples of missing information include - Page 2 of return is missing, return data is illegible/missing, return does not indicate a refund, etc.

F. If the return is complete with all necessary documents, continue to **STEP 9**.

9. Review Page 1 and Page 2 of the return to ensure that only ***one*** return has been picked up.
NOTE: Pick up each return individually before keying to prevent mixing the information from two customers.

10. Enter the following customer information from the return in the **Create Accelerated Refund Return** window, using the TAB key to navigate from one field to another.
    - **Filing Status**. Valid entry codes include the following:
        - **S** (Single)
        - **J** (Married Filing Joint)
        - **P** (Married Filing Separate)
    - **Primary SSN** – the 9-digit social security number of the primary taxpayer shown on the return.
    - **Primary Name** – the first 4 characters of the primary taxpayer's **last** name.
    - The birthday of the primary taxpayer in MM/DD/YYYY sequence in the **Primary Birthday** field.
    - **Secondary SSN** - the 9-digit social security number of the secondary taxpayer shown on the return, if applicable.
    NOTE: This field is **required** if the filing status is ***Married Filing Joint***. This field **should not be keyed** if the filing status is *Married Filing Separate*.
    - **Secondary Name** - the first 4 characters of the secondary taxpayer's **last** name, if applicable.
    NOTE: This field is **required** if the Secondary Last Name is different from the Primary Last Name. This field **should not be keyed** if the filing status is Married Filing Separate.
    - The birthday of the secondary taxpayer in MM/DD/YYYY sequence in the **Secondary Birthday** field, if applicable.
    - The 7-digit alphanumeric Personal Identification Number associated with the taxpayer in the **PIN** field, if applicable.

11. Select FIND to display the customer's address information found in IRMS.
    A. If the displayed address is the same as the address on the tax return, go to **STEP 12**.
    B. If the displayed address is not the same as the address on the tax return,
        1) Clear the return by selecting CLEAR.
        2) Place the return aside in a "**First Pass**" group to be processed ***without*** an accelerated refund.
        3) Go to **STEP 8** and select another return.

12. Enter the following from the return:
    A. Enter the Refund Amount (First Time) in dollars and cents, including the decimal point.
    B. Enter the Refund Amount (Second Time) in dollars and cents, including the decimal point.

13. View the direct deposit information on the return.
    A. If the customer did not specify direct deposit, go to **STEP 14**.
    B. If the customer did specify direct deposit,
        1) Enter "**1**" for Checking OR "**2**" for Savings, in the "Direct Deposit Account Type" field.
        2) Enter the Routing/Transit Number.
        3) Enter the Bank Account Number (First Time).

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4) Enter the Bank Account Number (Second Time).

14. Compare your keyed entries to the information on the tax return.
    A. If the entries were correctly keyed, go to **STEP 15**.
    B. If the entries were not correctly keyed, repeat **STEPS 10 -13**, as needed, to correct the entries.
15. Save the accelerated return information by selecting NEXT.
    NOTE: The fields clear if the validation is successful, but the system prompts you if:
    - Information is missing or invalid
    - Information is not complete
    - The criteria is not met and the Accelerated Refund is **DENIED**.

    A. If the return is **ACCEPTED** by the system,
        1) Place an "X" on the **LAR** line/fill-in the bubble at the bottom of the return.
        2) Place the return aside in the **ACCEPTED** stack to be transmitted to Virginia Tax.
        3) Go **STEP 8** to handle the next return.

        NOTE: The screen refreshes to blank fields.
    B. If the necessary entry window fields were not properly keyed,
        1) Select OK to close the message box and return to the entry window.
        2) Re-key the necessary fields.
        3) Save the information by selecting NEXT.
        4) Go to **STEP 8** to handle the next return.
    C. If the return is **DENIED** by the system,
        1) Place an "X" on the **DLAR** line/fill-in the bubble at the bottom of the return.
           NOTE: It is NOT NECESSARY to document on the return/attach a note to the return stating the reason for the return to be denied.
        2) Place the return aside in the **DENIED** stack to be processed in a **DENIED** group. mn
        3) Select OK to close the message box and return to the entry window.
        4) Go to **STEP 8** to handle the next return.
16. Repeat **STEPS 8 – 15** for each return in the bundle.
    NOTE: The system allows you to view the last 10 returns keyed by selecting "Return: View Last 10 Returns Keyed".
17. If the system prompts that 100 accepted returns have been keyed and returns the operator to the Create New Group window,
    A. Retrieve the completed **GREEN** Accepted Group Control document from **STEP 4** and place it on top of the 100 **ACCEPTED** returns.
    B. Enter "100" in the **# of Returns** box on the **GREEN** Accepted Group Control document.
    C. Rubberband the documents together.
    D. Place the bundle aside in the designated location to be screened and transmitted to Virginia Tax.
    E. Return to **STEP 3** to continue keying the remaining work.
18. If fewer than 100 accepted returns have been keyed and the operator needs to exit the process,
    A. Select "Return: End Current Group".
    B. Count the number of returns in the accepted group.
    C. Retrieve the completed **GREEN** Accepted Group Control document from **STEP 4** and place it on top of the **ACCEPTED** returns.
    D. Enter the number of accepted returns in the **# of Returns** box on the **GREEN** Accepted Group Control document.
    E. Rubberband/paperclip the documents together.
    F. Place the bundle of **ACCEPTED** returns aside in the designated location to be screened and transmitted to Virginia Tax.
19. Gather the returns that were placed aside in earlier steps, working one stack at a time.

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NOTE: These stacks include the following:

- **Stack 1**: "Amended" stack (from **STEP 8A**)
- **Stack 2**: "Prior Tax Year" stack (from **STEP 8B**)
- **Stack 3**: "Name/Address Change" stack (from **STEP 8C**)
- **Stack 4**: "Deceased" stack (from **STEP 8D**)
- **Stack 5**: "First Pass" stack (from **STEP 11B**)
- **Stack 6**: "Denied" stack (from **STEP 15C**)

20. Gather the returns from **Stacks 1 and 2** that are to be sent to Virginia Tax as **Direct File** Items.
    A. Obtain and complete a LAP-SORT 2 form.
    B. Place the form on top of the associated returns.
    C. Rubberband the returns together.
    D. Place the bundle in the designated location to be transmitted to Virginia Tax.
21. Gather the returns from **Stacks 3 and 4** that were not eligible for processing as an accelerated refund.
    A. Place a note on top of the returns indicating that the returns weren't eligible for processing as an accelerated refund.
    B. Rubberband the returns together.
    C. Place the bundle in the designated location to be screened.
22. Gather the returns from **Stack 5** (**FIRST PASS**).
    A. Place a note on top of the returns indicating the address on the return didn't match the information in IRMS so the return could not be processed as an accelerated refund.
    B. Rubberband the returns together.
    C. Place the bundle in the designated location to be screened.
23. Gather the returns from **Stack 6** (**DENIED** accelerated refunds).
24. Sort the returns from **Stack 6** into three ***additional*** groups as follows:
    - **DENIED** Group 1: 760 Handprint returns
    - **DENIED** Group 2: 760CG returns with a 2D barcode
    - **DENIED** Group 3: 760CG returns without a 2D barcode
25. Obtain **DENIED** Group 1: 760 Handprint returns.
26. Count the number of documents in the group.
27. Obtain a blank **PINK** Local Denied On-Line Accelerated Refund Group Control Document and complete the document as follows:
    A. Enter the name of the locality in the upper left hand corner of the document.
    B. Enter the locality's five-digit FIPS code in the upper right hand corner of the document.
    C. Circle the form type associated with the returns in the DENIED group.
    D. Enter the name and operator number of the individual keying the documents in the designated box.
    E. Enter the date the group was keyed in month, day, and year sequence in the designated box.
    F. Enter the number of returns in the group in the designated box.
28. Place the completed form on top of the returns and rubberband the group together.
29. Place the bundle in the designated location to be transmitted to Virginia Tax.
30. Repeat STEPS 25 through 29 until a **PINK** Local Denied On-Line Accelerated Refund Group Control Document has been completed for **DENIED Group 2** documents and **DENIED Group 3** documents.

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