

MPF Announcement:

2021-71

Date:

October 12, 2021

Alert:

Clarification

New Policy

Policy Update

Reminder

Training Information

Audience:

Compliance/Legal

Program Management

Origination

Quality Control

Servicing

Underwriting

Product:

MPF Direct

MPF Government MBS

MPF Traditional

MPF Xtra[®]

Effective Date:

Immediately

Updates Regarding IRS Form 4506-C & Tax Transcripts

The MPF Program would like to remind PFIs that for all **MPF Traditional** and **MPF Xtra** initial loan applications dated on and after August 1, 2021, are required to include tax transcripts in all Mortgage Loan Files selected for post-closing quality control review, as recently communicated [MPF Announcement 2021-50](#).

The MPF Program has made the following 4506-C & Tax Transcript updates:

- Added a clarification to Section 5.9.8 of the MPF Traditional Selling Guide, to reflect that PFIs are not required to obtain tax transcripts for a Borrower when **all** of that Borrower's income was validated by the DU validation service. Borrowers that have not had their income validated through the DU validation service are required to obtain the tax transcripts.
- Replaced all references of 4506-T with 4506-C in the MPF Product Guides and Forms.

As a reminder, failure to provide the tax transcripts in a QC loan file will be cited as a QC exception, the severity of which will be determined by the applicable MPF Bank and/or Investor.

For additional information, see MPF Traditional Selling Guide Section 5.9.8 - 4506-C and Tax Transcripts, and MPF Xtra Selling Guide Section 5.4 - 4506-C and Tax Transcripts.

Reference

Please note you can access the [MPF Guides](#) and [MPF Announcements](#) on our [MPF Website](#).

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