

*Friday, August 15, 2025**Bulletin #2025-CNDC-008***NOTICE TO: Non-Delegated Correspondents and Delegated Correspondents****IRS Form 4506-C Completion**

FLCBank reminds its Non-Delegated and Delegated Correspondent Customers of the requirement to have each borrower whose income (regardless of income source) is used to qualify for the loan to complete and sign a separate IRS Form 4506-C at or before closing. Occasionally, it may be necessary to have the borrower complete and sign multiple IRS Form 4506-Cs depending on the transcripts required to validate the income.

In addition, the Agencies require lenders to perform reverifications to reconcile the information received with the information used to underwrite the loan for any mortgage loans selected for a Quality Control review. If transcripts cannot be obtained because of an IRS rejection or another reason, a significant defect must be cited and a corrective action plan must be implemented, if appropriate. Reverification tracking must be included in QC reporting and documented in the loan file including the request date and details for successful and unsuccessful attempts.

Effective for loans submitted for pre-purchase review on or after September 1, 2025, FLCBank will review and require remediation of inaccurate or improperly executed 4506-Cs. Failure to properly complete the 4506-C form may result in a loan purchase delay and/or loans being conditioned for an updated 4506-C form or an appropriate tax transcript.

IRS Form 4506-C Completion Best Practices

To reduce 4506-C transcript request rejections due to inaccurate or improperly executed 4506-C Forms, FLCBank is providing instructions on how to properly complete the IRS Form 4506-C.

Instructions Example ([click here](#))

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).