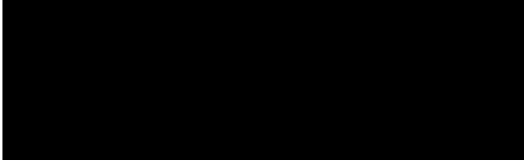


Department of the Treasury  
Internal Revenue Service  
P.O. Box 219236 Stop P-4 5000  
Kansas City MO 64121-9236

In reply refer to: [REDACTED]  
Nov. 13, 2018 LTR 2273C 3  
[REDACTED] 201712 30 1  
00009784  
BODC: WI



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Taxpayer identification  
number: [REDACTED]  
Forms: 1040  
Tax periods: Dec. 31, 2017

Dear Taxpayer:

This letter responds to our conversation on Nov. 01, 2018, when you asked about ways to resolve your account balance.

Based on your proposal, we established your installment agreement for the tax periods listed at the top of this letter. Your monthly payment of \$112.00 is due on the 28th of each month, beginning on Dec. 28, 2018.

#### WHAT YOU NEED TO KNOW ABOUT YOUR INSTALLMENT AGREEMENT

We charge a \$225.00 user fee to cover the cost of entering an installment agreement. We'll deduct the fee from your first payment.

If your approved installment agreement payment is less than the user fee amount, then your first payment must be at least \$225.00 to cover the user fee.

We can reduce the installment agreement user fee for individuals whose income falls at or below the established levels in the Reduced User Fee Income Guidelines. You may qualify for this one-time reduction to your fee.

If your income is at or below the established levels listed in the Reduced User Fee Income Guidelines, you can apply for the reduced user fee of \$43 for new agreements.

You can find the income levels and instructions on how to apply for the reduced user fee on Form 13844, Application For Reduced User Fee For Installment Agreements.

If you qualify, complete and mail Form 13844 within 30 days to:

[REDACTED]

Internal Revenue Service  
PO Box 219236, Stop 5050  
Kansas City, MO 64121-9236

If you already paid the full user fee and we approve your request, we'll apply the difference you paid to the tax you owe.

We'll notify you by mail of our decision.

#### WHAT YOU MUST DO

You must meet all conditions of your installment agreement. If you don't, we can cancel it and take enforcement action to collect the full amount of your tax liability. Enforcement action could include filing a Notice of Federal Tax Lien (which notifies your creditors of our lien against your property) or placing a levy on your wages or bank accounts. If we cancel your installment agreement and you later apply for and receive reinstatement, you'll have to pay a reinstatement fee.

The other conditions of this agreement are:

- You timely pay all federal taxes due during the term of this agreement.
- We'll apply all installment agreement payments to the oldest tax assessments first, then penalties, then interest on that assessment.
- You pay all installment agreement user fees.
- You provide a current financial statement when we request one. If you have a change in your ability to pay, we can revise or cancel your installment agreement.

We'll send you a monthly statement with a payment voucher and return envelope shortly before each payment is due. The statement will show your remaining balance, as well as your monthly payment amount. We must receive your payment by the due date. If you don't receive your statement at least 10 days before your payment due date, you should mail us your payment with a copy of the last page of this letter.

Make your check or money order payable to the United States Treasury and provide on each payment:

- Name
- Address



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- Taxpayer identification number
- Daytime telephone number
- Tax year
- Tax form

Please use the return envelope provided with your statement.

If you move, complete Form 8822, Change of Address, or for business address changes, complete Form 8822-B, Change of Address - Business, and send it to the address on page 2 of the form.

We'll apply any refunds you're due to the amount you owe until you pay your balance in full. A refund offset isn't a substitute for a monthly payment. You must still make your regular monthly payment if we apply a refund to your account.

We've provided a general explanation of the possible penalties and/or interest included in the current balance due on your account. If you want a specific explanation of how the amounts were computed on your account, please contact us at the toll-free number shown in this letter and we will send you a detailed computation.

**\*\* Filing and/or Paying Late -- IRC Section 6651 \*\***

We assess a 5% monthly penalty for filing your return late and a 1/2% monthly penalty for not paying the tax you owe by the due date. When both penalties apply for the same month, the amount of the penalty for filing late for that month is reduced by the amount of the penalty for paying late for that month.

The failure-to-file or failure-to-pay penalty may not apply where you've shown that the failure is due to reasonable cause and not willful neglect.

We base the monthly penalty for filing late on the tax required to be shown on the return that you didn't pay by the original return due date, without regard to extensions.

We base the monthly penalty for paying late on the net unpaid tax at the beginning of each penalty month following the payment due date for that tax.

We charge the penalties for each month or part of a month the return or payment is late; however, neither penalty can be more than 25% in total.

[REDACTED]

Income tax returns are subject to a minimum late filing penalty when filed more than 60 days after the return due date, including extensions. The minimum penalty is the LESSER of two amounts - 100% of the tax required to be shown on the return that you didn't pay on time, or a specific dollar amount that is adjusted annually for inflation. The specific dollar amounts are:

- \$210 for returns due on or after 1/1/2018
- \$205 for returns due between 1/1/2016 and 12/31/2017
- \$135 for returns due between 1/1/2009 and 12/31/2015
- \$100 for returns due before 1/1/2009

The penalty for paying late applies even if you filed the return on time. The due date for payment of the tax shown on the return generally is the return due date, without regard to extensions. You must pay increases in tax within 21 days of our notice demanding payment (10 business days if the amount in the notice is \$100,000 or more).

If we issue a Notice of Intent to Levy and you don't pay the balance due within 10 days from the date of the notice, the penalty for paying late increases to 1% per month.

For individuals who filed on time, the penalty decreases to 1/4% per month while an approved installment agreement with the IRS is in effect for payment of that tax.

**\*\* Interest -- IRC Section 6601 \*\***

We're required by law to charge interest when you don't pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly.

For more information on penalties and interest, you can review Notice 746, Information About Your Notice, Penalty, and Interest.

Federal income tax is a pay-as-you-go tax. You must pay the tax, as you earn or receive income during the year, in one of three ways:

1. Withholding - If you're an employee, your employer will withhold income tax from your pay. Payers also withhold tax from other types



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of income, including pensions, bonuses, commissions, and gambling winnings. In each case, the amount withheld is paid to the United States Treasury in your name.

If you had too little tax withheld from your wages, you should give your employer a new Form W-4, Employee's Withholding Allowance Certificate, to increase the amount of withholding.

2. Estimated tax payments - If you don't pay your tax through withholding or don't pay enough, you might have to pay estimated tax. People who are in business for themselves generally pay their tax this way. They generally must pay self-employment tax also.

If you need more information about changing your Form W-4 or making estimated tax payments, let us know. Publication 505, Tax Withholding and Estimated Tax, explains both methods in detail.

3. Federal tax deposits - If you have employees, you may be required to make federal tax deposits for employment taxes. As an employer, you must withhold federal income tax, social security and Medicare taxes, and Federal Unemployment Tax Act (FUTA) taxes. Employers required to make deposits must deposit electronically through the Electronic Federal Tax Payment System (EFTPS).

If you need more information about making federal tax deposits, let us know. Publication 15, Circular E, Employers Tax Guide, and Publication 15-A, Employer's Supplemental Tax Guide, explain in detail an employer's responsibility. You can also visit [www.EFTPS.gov](http://www.EFTPS.gov) or call EFTPS Customer Service at 800-316-6541 (individual) or 800-555-4477 (business).

#### HOW TO MAKE YOUR PAYMENTS

In addition to sending your payments by mail each month, you have several other payment options.

##### Pay in person

You can pay at a local IRS office by personal check, cashier's check, certified check, or money order. When you pay in person, be sure to bring this letter with you. Some offices also accept cash (but they can't provide change). You can find locations, hours of operation and services available for each site, at: [www.irs.gov/help/contact-your-local-irs-office](http://www.irs.gov/help/contact-your-local-irs-office). Please note: All Taxpayer Assistance Centers (TACs) operate by appointment.



Pay electronically

Visit [www.irs.gov/payments](http://www.irs.gov/payments) for information on paying your taxes electronically. If you don't have access to the internet, call EFTPS Customer Service at 800-316-6541 (individual) or 800-555-4477 (business).

For credit or debit card payments, fees may vary between the service providers.

#### HOW TO CONTACT US

If you have questions, you can call 800-829-0922.

If you are out of the country and need assistance, call us at +1-267-941-1000 (not toll-free).

You can also find more information on our website at [www.irs.gov](http://www.irs.gov).

You can get any of the forms or publications mentioned in this letter by calling 800-TAX-FORM (800-829-3676) or visiting our website at [www.irs.gov/formspubs](http://www.irs.gov/formspubs).

When you write, include a copy of this letter, and provide your

Telephone Number ( ) \_\_\_\_\_ Hours \_\_\_\_\_

Keep a copy of this letter for your records.

Thank you for your cooperation.

Nov. 13, 2018 LTR 2273C 3  
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Sincerely yours,

[REDACTED]  
Operations Manager, ACS Buffalo

Enclosures:  
Envelope

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