



P.O.Box 219236 Stop P-4 5000  
 Kansas City MO 64121-9236

In reply refer to:  
 Sep. 07, 2017 LTR 167C 3  
 201612 30 1  
 00003550  
 BODC: WI



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Taxpayer identification number:  
 Tax period(s): Dec. 31, 2016  
 Form: 1040

Dear Taxpayer:

Thank you for your inquiry of Aug. 21, 2017.

We have stopped your Direct Debit Installment Agreement. No more payments will be deducted from your checking account.

We reviewed our records and the information available to us, and found we haven't received the following payment(s) that you asked about:

Date of Payment	Amount of Payment
June 28, 2017	\$ 348.00

If you have proof of payment, such as a canceled check, deposit ticket, canceled money order, or cash receipt, send us a clear photocopy of the front and back of it. A clear copy may help us correct your account without contacting you again.

The current balance due for the tax period Dec. 31, 2016, is \$102.61, which includes penalty and interest figured to Sep. 27, 2017. By law, we must continue to add penalties and interest to your account until you pay the amount you owe in full.

We've provided a general explanation of the possible penalties and/or interest included in the current balance due on your account. If you would like 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 charge a 5% penalty for filing late, and a 1/2% penalty for paying late, when a return is filed late and the tax is not paid by the date it was due. When both penalties apply for the same month, the penalty for filing late is reduced by the amount of the penalty for paying late for that month.

The penalty for filing late is based on the tax ultimately due, which was not paid by the original return due date without regard to extensions.

The penalty for paying late is based on the net unpaid tax at the beginning of each penalty month following the payment due date for that tax.

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

Income tax returns are subject to a minimum penalty if filed late and received more than 60 days after the due date. The minimum penalty is \$205 (\$135 for returns due between 1/1/2009 and 12/31/2015, \$100 for returns due before 1/1/2009) or 100% of the tax paid late, whichever is less.

The penalty for paying late applies when tax is paid late, even if the return was filed on time. The due date for payment of tax shown on a return generally is the return due date without regard to extensions. Increases in tax must be paid 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 the balance due isn't paid 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 are required by law to charge interest when you do not 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



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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.

If you have questions, you can call us toll free at 1-800-829-0922.

If you prefer, you can write to us at the address at the top of the first page of this letter.

When you write, include this letter and provide in the spaces below your telephone number with the hours we can reach you. Keep a copy of this letter for your records.

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

Thank you for your cooperation.

Sincerely yours,

Operations Manager, Collections

Enclosure(s):  
Copy of this letter  
Envelope