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Department
                          |Transmittal Number|Date of Issue
of the
                          | 15-01 | 01/05/2015
Treasury
                          |Originating Office|Form Number
                          |SE:W:CP:FPC:FC(AMS)| 3127C
IDRS
CORRESPONDEX
Internal
Revenue
Service
Title: Revision/Reinstatement to Installment Agreement and User Fee
     Adjustments
______
Number of Copies
               | Distribution to: | Former Letter
        l 1 to TP
                                        | 3127C (Rev. 05-13)
Original
______
OMB Clearance Number | Expires
                                       -
                                       | IMF/BMF
Letters Considered in Revision:
     Taxpayer Identification Number:
 Α
 В
                            Form:
 С
                 Tax Period Ending:
 С
 С
 С
    Dear [
 D Thank you for your [
                            dated [
 D the above tax periods.
 E Thank you for your [
                            ] dated [
                                         ], and your
 E payment of $[
 Ε
 F This letter responds to our telephone conversation on [ ].
 F
              ], we sent you a notice that your installment
 G On [
 G agreement was in default.
 H We deducted the user fee from your account twice, but we removed the
 H duplicate charge to correct your account. The duplicate charge
 H generally occurs when a taxpayer submits a payment with a copy of the
 H first reminder notice. Because we code this notice to deduct the user
 H fee, submitting a payment with the first notice will result in a
 H duplicate user fee being charged.
 Н
 H If you're not receiving reminder notices to send with your
 H installment payments, let us know. In the meantime, you can send your
 H payment with a copy of this letter to the address at the bottom of
 H this letter. Please follow the instructions for identifying your
 H payment.
 Н
 H If you moved, complete Form 8822, Change of Address, or for business
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H address changes, complete Form 8822-B, Change of Address - Business,
H and send to us. We must have your current address to maintain your
H installment agreement.
Η
I You'll receive monthly reminder notices, starting with your next
I payment due on [ ]. Your payment amount will remain the
I same.
Т
J We haven't finished processing the Form [ ] you filed for the
J tax period ending [ ]. Once we finish, we'll send you a
J notice showing any balance you owe. Unless we need additional
J information, we'll include any additional amount you owe in your
J installment agreement without further contact.
K We [
              ] your installment agreement. Your monthly
K payment of $[ ] is due on [ ]. Because we must
K receive your payment on time, make sure you mail your check or money
K order at least 10 days before the due date. If we don't receive your
K payment on time, we can cancel your installment agreement and take
K enforcement actions to collect the entire balance due. Enforcement
K actions could include filing a Notice of Federal Tax Lien on your
K property or placing a levy on your wages or bank account.
L We revised your installment agreement to include the balance you
L owe for the tax period ending [ ], on Form [
L Your monthly payment and the due date will remain the same.
M We revised your installment agreement to include the balance you owe
M for the tax period ending [ ], on Form [ ]. Your M monthly payment will increase to $[ ] on your next due
M date. The payment due date will remain the same.
М
N When we approved your installment agreement, we didn't include the
N amount you owe for the above tax periods. We revised your installment
N agreement to include the additional amount of $[
N extended the length of your agreement by [ ] months. Your
N current monthly payment and due date will remain the same.
O As requested, you can skip the payment due on [
                                                      ]. Your next
O payment of $[
                       ] is due by [
                                          ]. Because we must
O receive your payment on time, make sure you mail your check or money
O order at least 10 days before the due date. If we don't receive your
O payment on time, we may cancel your installment agreement and take
  enforcement actions to collect the entire balance due. Enforcement
O actions could include filing a Notice of Federal Tax Lien on your
O property or placing a levy on your wages or bank account.
\cap
P As requested, we changed the due date for your monthly installment
P payments to the [ ] of each month. Because we must receive your
  payment on time, make sure you mail your check or money order at least
  10 days before the due date. If we don't receive your payment on time,
P we may cancel your installment agreement and take enforcement actions
P to collect the entire balance due. Enforcement actions could include
P filing a Notice of Federal Tax Lien on your property or placing a levy
P on your wages or bank account.
Q We charge a $[ ] user fee to cover the cost of reinstating or
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Q revising an installment agreement. We'll deduct this fee from your Q next installment agreement payment.

], you should send any R Because you reside in [R correspondence about your installment agreement to the IRS address R below.

R S [

] for the tax periods listed T Your total balance due is \$[T above. This amount includes penalty and interest calculated to]. We'll continue to charge penalties and interest until T you pay the amount you owe in full.

]

U The time allowed by law for collecting payments for the tax periods U listed above will expire shortly. You are under no obligation to continue making installment payments for the balances.

IJ

U No response to this letter is necessary.

IJ

V The shared responsibility payment (SRP) amount that you owe is the V assessed payment for not having minimum essential health coverage for you and, if applicable, your dependents per Internal Revenue Code Section 5000A - Individual shared responsibility payment. The SRP V amount that you owe is not subject to penalties or to lien and levy V enforcement actions. However, interest will continue to accrue until V you pay the total SRP balance due. We may apply your federal tax V refunds to the SRP amount that you owe until it is paid 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 \$135 (\$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 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.

HOW TO PAY FEDERAL TAX

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W Federal income tax is a pay-as-you-go tax. You must pay your tax as W 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 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 have to 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 of these methods in detail.

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Χ

Χ X You can send your payments by mail each month or use one of several

X payment options. Χ

X Pay in person

Χ X You can pay at a local IRS office by personal check, cashier's check,

X cash (but they can't provide change). Check at X www.irs.gov/localcontacts to find the services available at each site

X and the hours of operation. X Pay electronically

Χ

X Visit www.irs.gov/e-pay for information on paying your taxes X electronically. If you don't have access to the internet, call EFTPS

X (business). Χ X For credit or debit card payments, fees may vary between the service

X providers. Χ

Χ X If you want to authorize us to take your monthly payments from your

X bank account, you must:

Χ

Χ

Χ Χ Χ

Χ Χ

Χ

X To authorize your employer to deduct payments from your salary or

Χ

X Pay by automatic bank withdrawal

X - Complete and sign a Form 2159, Payroll Deduction Agreement.

- Include a blank check with "VOID" printed on the front of the check or provide your name, your bank name, the routing number, and your account number exactly as they appear on the front of your check. - Mail the completed Form 433-D and your voided check or banking information to the payment address at the end of this letter.

- Complete and sign a Form 433-D, Direct Debit Installment Agreement.

3. Federal tax deposits - If you have employees, you may be required to make Federal Tax Deposits for employment taxes. As an employer,

taxes, and Federal Unemployment Tax Act (FUTA) taxes. Employers

If you need more information about making federal tax deposits,

Publication 15-A, Employer's Supplemental Tax Guide, explain in

www.EFTPS.gov or call EFTPS Customer Service at 1-800-316-6541

X certified check, or money order. When you pay in person, be sure to X bring a copy of this letter to the office. Some offices also accept

X Customer Service at 1-800-316-6541 (individual) or 1-800-555-4477

detail an employer's responsibility. You can also visit

Electronic Federal Tax Payment System (EFTPS).

(individual) or 1-800-555-4477 (business).

HOW TO PAY TAX YOU OWE

you must withhold federal income tax, social security and Medicare

required to make deposits must deposit electronically through the

let us know. Publication 15, Circular E, Employers Tax Guide, and

X Pay by payroll deduction

X commission and send them directly to us, you must:

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X - Have your employer sign the form.
X - Mail the completed Form 2159 to us at the payment address at the end
    of this letter.
  - Send the monthly payments to us until your employer begins
Χ
   deducting payments from your salary or commission.
Χ
                      HOW TO CONTACT US
Y If you have questions, call [ ] at
              ] between [
                                   ] and [
                                                    ].
Υ
Z If you have questions, call us toll free at 1-800-829-[
                                                               ].
O If you have questions, call us toll free at [
   If you are out of the country and need assistance, call us at
  1-267-941-1000 (not toll-free).
  You can also find information on our website at www.irs.gov. You can
   find any of the forms or publications mentioned in this letter by
   calling 1-800-TAX-FORM (1-800-829-3676) or visiting our website at
  www.irs.gov/formspubs.
   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,
   Enclosure(s):
   Envelope
1
2
3
  Send payment to:
3
        Internal Revenue Service
3
3
4
 Send form to:
       Internal Revenue Service
4
4
4
5
                   Installment Agreement Payment
5 You can return a copy of this page with your payment in the enclosed
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5 envelope if you don't receive your statement on time. Please allow at

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5 least 10 days mailing time for your payment to reach us. Make your
  check or money order payable to the United States Treasury and clearly
  print on each payment:
5
      - Name
5
      - Address
5
      - Social security number or
5
        employer identification number
5
      - Tax year
5
      - Tax form number
      - Daytime telephone number
```

Letter 3127C (Rev. 10-2014)

