

[REDACTED]

[REDACTED]

[REDACTED]

WESTMINSTER CO 80234-3497

149304

Taxpayer identification number: [REDACTED]
Form: 1040
Tax periods ending: Dec. 31, 2009 Dec. 31, 2010
Dec. 31, 2017

Dear Taxpayer:

Thank you for making arrangements to resolve your account. This letter responds to your correspondence dated Feb. 18, 2019, requesting a direct debit installment agreement.

We accepted your proposal to have your monthly installment payments automatically deducted from your checking account. We'll deduct your payment of \$390.00 on the 28th of each month.

The first payment we will deduct is the user fee of \$107.00. Make sure you have enough funds in your checking account to cover the fee. The remaining payments will be \$390.00 per your agreement.

If your adjusted gross income for the most recent year is at or below 250% of the federal poverty guidelines (low-income taxpayer) as shown in the Low-Income Taxpayer Adjusted Gross Income Guidance table on Form 13844, Application for Reduced User Fee For Installment Agreements, then the user fee is reduced to \$43.00.

On February 9, 2018, the President signed the Bipartisan Budget Act of 2018 (Act) into law, which amended Internal Revenue Code Section 6159. The Act limits user fees for installment agreements entered into on or after April 10, 2018. We'll waive or reimburse the reduced installment agreement user fee if you're a low-income taxpayer for installment agreement user fee purposes and meet certain requirements.

We won't increase installment agreement user fees above the amounts that were effective as of February 9, 2018. However, based on a user fee cost review we conduct every two years, we may lower the fees periodically.

If you are a low-income taxpayer, you qualify for a waiver of the installment agreement user fee because you have agreed to make electronic payments through a debit instrument by entering into a direct debit installment agreement.

[REDACTED]

[REDACTED]

WESTMINSTER CO 80234-3497

If you believe you meet the requirements for low-income taxpayer status, complete and mail Form 13844 within 30 days to:

Internal Revenue Service

[REDACTED]

We'll notify you by mail of our decision.

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

Under the terms of your installment agreement, your payment will increase to \$740.00 on Mar. 28, 2020, and continue at this amount until you pay your balance in full or your financial situation changes.

Before we can deduct your monthly payments automatically, we must verify your account information.

We scheduled your first automatic withdrawal payment to be deducted from your checking account on June 28, 2019. If this payment withdrawal doesn't happen as planned, allow one more month before contacting us to report any problems.

WHAT YOU NEED TO KNOW ABOUT YOUR INSTALLMENT AGREEMENT

WHAT YOU NEED TO DO

You must meet all conditions of your installment agreement. If you don't, your installment agreement could go into default and we may terminate it and take enforcement action to collect the full amount of the 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 terminate your installment agreement or to pursue any enforcement actions, you'll have Collection Appeal rights through the Collection Appeals Program (CAP) (see Publication 1660, Collection Appeal Rights, for complete information). If we terminate your installment agreement and you later apply for and receive reinstatement, you'll have to pay a reinstatement user fee.

If you are a low-income taxpayer, the reinstatement user fee is reduced. As a low-income taxpayer, you would qualify for a waiver of the reinstatement user fee if you agree to make electronic payments through a debit instrument by reinstating your installment agreement

[REDACTED]

[REDACTED]

WESTMINSTER CO 80234-3497

049304

as a direct debit installment agreement (DDIA). But if you are a low-income taxpayer and are unable to make electronic payments through a debit instrument by reinstating your installment agreement as a DDIA, then you would qualify for a reimbursement of the reinstatement user fee upon completion of the installment agreement.

The other conditions of this agreement are:

- You must pay on time all federal taxes that become 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 those assessment.
- You must pay all installment agreement user fees.
- You must provide a current financial statement when we request one. If you have a change in your ability to pay, we can revise or terminate your installment agreement.


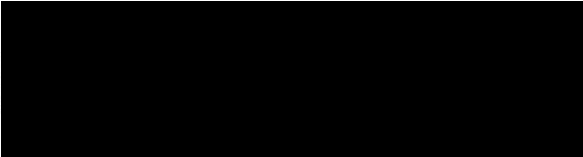
If you send payments by mail, make your check or money order payable to the United States Treasury and provide on each payment your:

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

Because we'll deduct the monthly payments automatically from your checking account, we won't send any reminders. Be sure you have sufficient funds in your bank account to cover the payments on their due dates and keep your records up to date. We charge an additional fee when insufficient funds in an account cause a late or missing payment, and your installment agreement will default for non-payment.

You must contact our office at least 15 days before your monthly due date to stop an automatic payment withdrawal from your checking account.

The direct debit installment agreement system will automatically calculate the amount of the final installment payment. You won't need to contact us for a "final pay-off" amount.



Any time you can afford to pay more than the required payment amount, you should do so. Extra payments will help you avoid additional penalty and interest charges on the amount you still owe.

To maintain your electronic installment agreement, we must have current information. If your banking information changes, submit a new Form 433-D, Installment Agreement, with your new routing and account numbers. We can't change your routing and account numbers over the phone. You must contact us 15 days before the due date to stop the payments from your old account. If you don't notify us in time, your installment agreement will default for non-payment, and we may file a Notice of Federal Tax Lien or take other enforcement action. If we propose a default, decide to file a Notice of Federal Tax Lien, or take other enforcement action, you'll be entitled to a CAP appeal before we do so.

If your address changes, you should send a complete Form 8822, Change of Address, or Form 8822-B, Change of Address or Responsible Party - Business, to the address on page 2 of the form. You must also promptly notify our installment agreement office at the address at the top of this letter of any change in your address or marital status to ensure we can communicate with you. We must have your current address to maintain your installment agreement.

We'll apply any refunds you're due to the amount you owe until you pay your balance due 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.

To reduce the amount of penalty and interest you'll pay on the unpaid balance, you can send in monthly payments until we start automatically deducting payments from your checking account.

You must timely file all required federal tax returns.

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

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

We charge 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

[REDACTED]

[REDACTED]

WESTMINSTER CO 80234-3497

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.

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 of 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 **

[REDACTED]

WESTMINSTER CO 80234-3497

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 applicable 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

Federal taxes are pay-as-you-go taxes. You must pay the tax as you earn or receive income during the year or as you pay wages to employees. There are three ways to pay as you go:

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

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 taxes, Social Security and Medicare taxes, and Federal Unemployment Tax Act (FUTA) taxes. Employers required to make deposits must deposit through electronic funds transfers such as the Electronic Federal Tax 9 Payment System



WESTMINSTER CO 80234-3497

(EFTPS).

049304
If you need more information about making federal tax deposits, let us know. Publication 15, Circular E, Employer's 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 or call EFTPS Customer Service at 800-316-6541 (individual) or 800-555-4477 (business).

HOW TO CONTACT US

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

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

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

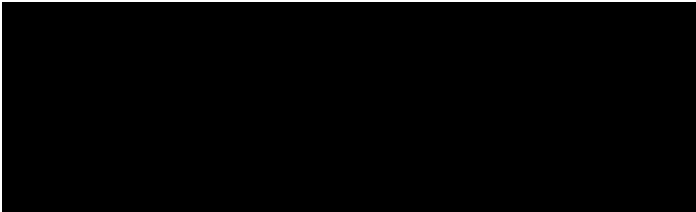
You can get any of the forms or publications mentioned in this letter by visiting our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

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

Telephone number () _____ Hours _____

Keep a copy of this letter for your records.

Thank you for your cooperation.

Sincerely yours,


Enclosures:
Envelope