

In reply refer to: [REDACTED]  
Dec. 13, 2019 LTR [REDACTED]

BODC: SB

[REDACTED]  
WESTMINSTER CO 80234-3497

025857

Taxpayer identification number: [REDACTED]  
Form: 1040  
Tax period ending: Dec. 31, 2018

Dear Taxpayer:

We revised your installment agreement to include the balance you owe for the tax period ending Dec. 31, 2018, on Form 1040. Your monthly payment and the due date will remain the same.

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% monthly penalty for filing late, and a 1/2% monthly 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 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