



IRS Department of the Treasury
Internal Revenue Service

PO BOX 621501
ATLANTA GA 30362-1501

In reply refer to:
Feb. 22, 2019 LTR 853C
201712 30

BODC: SB

Taxpayer Identification Number:
Tax Period: Dec. 31, 2017
Form: 1040
Kind of Penalty(s): Failure to File

WE ARE SORRY THAT WE COULD NOT GRANT YOUR REQUEST

In this letter, we will explain why we could not grant your request to remove the penalty charges to your account.

Dear Taxpayer:

WHY WE ARE CONTACTING YOU

Thank you for your inquiry dated Nov. 16, 2018 asking us to remove the penalty for failure to file.

We have carefully reviewed your case. However, the information provided did not establish reasonable cause. Thus, we are unable to remove your penalty for failure to file.

WHY WE COULD NOT REMOVE YOUR PENALTY CHARGES

You explained that your failure to meet your tax obligations on time was due to reliance on an accountant. However, you are the one who is responsible for filing a return or paying the tax. A failure on the part of someone else does not explain why you could not have taken care of tax matters yourself.

YOUR CURRENT BALANCE

Your total balance due is \$6,154.32. This amount includes penalty and interest figured to Mar. 14, 2019. Please note that we will continue to charge interest until the amount you owe 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 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 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 affect for payment of that tax.

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

We charge interest when tax is not paid on time. We figure interest from the due date of the return (regardless of extensions) to the date we receive full payment or the date of the notice.

WHAT TO DO IF YOU DISAGREE

If you have additional information and want your case to receive further consideration by the Office of Appeals, please provide a detailed written statement of the disputed issues, along with supporting documentation, to the Service Center Appeals Coordinator within 60 days from the date of this letter. It should include:

1. Your name and address;
2. Your social security number;
3. A statement that you want to appeal the findings;
4. A statement of facts supporting your position on the issues you are appealing;
5. If possible, a statement outlining the law or other authority on which you rely;
6. A copy of your original request, if available; and
7. A copy of this letter.

The statement of facts, in 4 above, should be detailed and complete, including specific dates, names, amounts, and locations. You must declare the statement true under penalties of perjury. You may do this by adding to your statement the following signed declaration:

"Under penalties of perjury, I declare that the facts presented in my written protest, which are set out in the accompanying statement of facts, schedules, and other statements are, to the best of my knowledge and belief, true, correct, and complete."

If your authorized representative sends us the protest for you, he or she may substitute a declaration stating that he or she prepared the statement and accompanying documents and whether he or she knows that the statement and accompanying documents are true and correct.

Please address your response to:

Internal Revenue Service
Service Center Penalty Appeals Coordinator
Attn: Technical Unit

P.O. Box 47-421 Stop 35
Doraville GA 30362-0000

Even though you are requesting consideration by the Appeals Office, the Service Center Appeals coordinator will review your additional information first, to determine whether the penalty should be removed or reduced. If your appeal can't be resolved immediately with the additional information, the coordinator will send your written statement to the Appeals Office serving your district.

REPRESENTATION

An attorney, certified public accountant, or person enrolled to practice before the Internal Revenue Service may represent you. To have someone represent you, attach a Form 2848, Power of Attorney and Declaration of Representative, (or similar written authorization) to your written statement.

Forms, instructions, and Treasury Department Circular No. 230, Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries, and Appraisers before the Internal Revenue Service are available from any Internal Revenue Service office. They are also available by calling 1-800-829-3676 and from our website at www.irs.gov.

OTHER INFORMATION ABOUT APPEALING

If taxes are overdue on your account, you will continue to receive bills even if you appeal the penalty. If you decide to appeal, you may pay the penalty to avoid further interest charges on the penalty amount. If you appeal the penalty and the Appeals Officer determines that you are not required to pay it, we will adjust your account and send you a refund.

If you don't appeal, you may file a claim for refund after you pay the penalty. If you want to take your case to court immediately, you should request in writing that your claim for refund be immediately rejected. Then you will be issued a notice of disallowance. You have two years from the date of the notice of disallowance to bring suit in the United States District Court having jurisdiction or in the United States Claims Court.

HOW TO CONTACT US

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

Feb. 22, 2019 LTR 853C
201712 30

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

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,

Department Manager

Enclosures:
Copy of this letter
Envelope