

Publication 4518

What to Expect When the IRS Assigns Your Account to a Private Collection Agency



Publication 4518 (Rev. 11-2019) Catalog Number 73403N
Department of the Treasury **Internal Revenue Service** www.irs.gov



Visit the Accessibility
Page on IRS.gov

Our Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

Why is the IRS assigning my account to a Private Collection Agency (PCA)?

Congress passed legislation requiring the IRS to use private collection agencies to assist us in collecting certain overdue tax accounts. The IRS determined to place your account with a private collection agency for collection of your unpaid tax liability.

What if I have already paid the balance due on this account?

Work with the private collection agency employee to identify the payment not applied to your account. Provide the payment information the employee requests. The information you provide will be used to

research the application of the payment to ensure it is properly credited.

What will the private collection agency do?

The private collection agency assigned to your account is working on our behalf. They will send you a letter confirming assignment of your unpaid tax liability and then contact you to resolve your account. They will explain the various payment options and help you choose one that is best for you.

How can I be sure it is the private collection agency calling me?

The private collection agency will send you a letter confirming assignment of your tax account. The letter will include the same unique taxpayer authentication number that is on the letter sent to you from the IRS. As part of the authentication process the PCA employee will use the unique number for identity verification. Keep both letters in a safe place for future reference.

What private collection agencies are currently under contract with the IRS?

The names and phone numbers of the private collection agencies under contract with the IRS are available on irs.gov.

What should I do now?

The private collection agency will contact you or you can pay now per the instructions below.

Can I call the private collection agency now?

Yes. You can find their telephone number in the letter we sent you.

Who do I make my payments to?

Make all payments to the IRS. The private collection agency can provide information on ways to pay or visit www.irs.gov/Payments for electronic payment options. Also see Publication 594, *The IRS Collection Process, Ways to pay your taxes*. Payment options include IRS Direct Pay to pay an individual tax

bill directly from a checking or savings account at no cost. Also available are the following options: preauthorized Direct Debit, the Electronic Federal Tax Payment System (EFTPS), an electronic system to pay federal taxes via the Internet or by phone for free and paying by debit or credit card using an electronic payment service provider for a fee.

If paying by check or money order, make the check or money order payable to the United States Treasury. Write your name, Social Security number, and tax year on your payment. The private collection agency will provide the appropriate IRS mailing address for the payment.

Is there an organization outside the IRS that can provide tax assistance for free or a nominal fee?

Assistance can be obtained from individuals and organizations that are independent from the IRS. IRS Publication 4134 provides a listing of Low-Income Taxpayer Clinics (LITCs) and is available at www.irs.gov. Also, see the

LITC page at www.taxpayeradvocate.irs.gov/litcmap. The Directory of Federal Tax Return Preparers with credentials recognized by the IRS can be found at <http://irs.treasury.gov/rpo/rpo.jsf>. Assistance may also be available from a referral system operated by a state bar association, a state or local society of accountants or enrolled agents or another nonprofit tax professional organization. The decision to obtain assistance from any of these organizations or individuals will not result in the IRS giving preferential treatment in the handling of the issue, dispute or problem.

The IRS now contracts with private collection agencies to assist us in collecting overdue tax accounts.

The Fixing America's Surface Transportation Act signed by the President on December 4, 2015, requires the IRS to contract with private collection agencies to help collect certain federal tax debts. Other federal, state,

and local government agencies already use private collection agencies to collect overdue accounts. The law includes strong protection of taxpayer rights.

- Private collection agencies will be held to the same standards of service and taxpayer rights protection as the IRS requires of its own employees.
- Your privacy will be fully maintained. Confidentiality requirements and restrictions required by law will be strictly enforced.

Private collection agencies under contract with us to collect overdue tax accounts are, with some exceptions set forth in the Internal Revenue Code, required to conform to the rules, regulations, and provisions of the Fair Debt Collection Practices Act. Specific provisions of this act prohibit private collection agencies from threatening or intimidating taxpayers.

If you do not wish to work with your assigned private collection agency to settle your overdue tax account, you must submit this

request in writing to the private collection agency.

Private collection agencies cannot take any type of enforcement action against you to collect this debt (such as filing a notice of Federal Tax Lien or issuing a levy). However, the IRS does have the legal authority to take these types of enforcement actions to collect an overdue account.

You can get more information about your taxpayer rights and the IRS collection process from the following IRS publications:

Publication 1, *Your Rights as a Taxpayer*, explains your rights in detail including your right to retain representation. It also explains the examination, appeal, collection, and refund processes.

Publication 594, *The IRS Collection Process*, explains the steps the IRS may take to collect overdue taxes.

Order IRS forms and publications at our website:

www.irs.gov, or by calling 1-800-829-3676.

For more information on helpful topics including requesting relief from penalties, ordering account transcripts, and changing your address with the IRS, visit:

irs.gov/help-resources.

The Treasury Inspector General for Tax Administration (TIGTA) protects and promotes the fair administration of the Federal tax system. To make a complaint about a private collection agency or report any allegations of private collection agency employee misconduct or scams, please call the TIGTA hotline at 1-800-366-4484; or visit:

www.tigta.gov; or write to:

Treasury Inspector General for Tax
Administration Hotline
Post Office Box 589
Ben Franklin Station
Washington, DC 20044-0589

To report a threat, assault or attempted assault by a private collection agency

employee, contact the TIGTA Office of Investigations with responsibility for your geographic area or call the TIGTA hotline at 1-800-366-4484.

NEED ADDITIONAL HELP?

Contact the Taxpayer Advocate Service 1-877-777-4778 or

TTY/TTD 1-800-829-4059 or online at www.irs.gov/advocate

The Taxpayer Advocate Service is an independent organization within the Internal Revenue Service that helps taxpayers and protects taxpayer rights. We help taxpayers whose problems with the IRS are causing financial difficulties, who've tried but haven't been able to resolve their problems with the IRS or believe an IRS system or procedure isn't working as it should. And our service is free.

Your local advocate's number is in your local directory and at taxpayeradvocate.irs.gov. You can also call us at 1-877-777-4778. For more information about TAS and your rights

under the Taxpayer Bill of Rights, go to taxpayeradvocate.irs.gov. The Taxpayer Advocate Service is your voice at the IRS.