



# News Release

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## Application Available for Reduced Installment Agreement User Fee

IR-2007-112, June 4, 2007

WASHINGTON — The application for requesting a reduced fee for entering into an installment agreement for the payment of federal taxes owed is available, the Internal Revenue Service announced today. [Form 13844](#), Application for Reduced User Fee for Installment Agreements, is used to request the reduction. The IRS is working to automate the application process to calculate the appropriate user fees up front, eventually phasing out Form 13844.

Effective January 1, 2007, user fees rose to \$105 for non-direct debit agreements, \$52 for direct debit agreements and \$45 for reinstatements.

Individuals entering into an installment agreement with income at or below certain established levels, based on the Department of Health and Human Services poverty guidelines, can apply to pay a reduced user fee of \$43 for new agreements. This also includes agreements where payments are deducted directly from a bank account.

Form 13844 contains steps an individual can use to determine if they qualify for a reduced fee. Qualified applicants should submit the form to the IRS within 30 days from the date of their installment agreement acceptance letter.

Form 13844 does not prevent an applicant's current year refunds, if any, from being applied to prior taxes being paid in installments or to prior taxes the IRS has deemed currently not collectible.

To be eligible for an installment agreement, a taxpayer must first file all tax returns they are required to file and be current with estimated tax payments, if applicable.

The reduced user fee for individuals with incomes at or below the established levels does not apply to corporations or partnerships. And there are no user fees for continuous wage levies initiated by IRS collection personnel. Form 13844 should not be filed for these situations.

Form 13844 is available in the Forms and Publications section of the IRS Web site at IRS.gov or may be ordered by calling toll-free 1-800-TAX-FORM (1-800-829-3676).

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Links:

[IRS Announces Installment User Fee Increases for Some Taxpayers](#)

[IRS Announces Online Payment Agreement Application](#)

[Payment Plans, Installment Agreements](#)