



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Small Business/Self-Employed

June 28, 2017

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Expires: June 27, 2018

Impacted IRM: IRM 5.11.7

MEMORANDUM FOR DIRECTOR, FIELD COLLECTION
DIRECTORS, FIELD COLLECTION AREA OPERATIONS

FROM:

Michael Mullin

Handwritten signature of Michael Mullin in cursive, with the text "Acting Director, CIDS" printed below it.

Acting Director, CIDS

Acting Director, Collection Inventory Delivery and Selection
SE:S:C:HQC:CIDS

SUBJECT:

Federal Payment Levy Program – FPLP is adding a new payment stream

This memorandum provides new information on the Federal Payment Levy Program (FPLP). Please ensure this information is distributed to all affected employees within your organization.

Starting in May 2017, the FPLP added certain military retirement payments paid out by the Defense Finance and Accounting Service (DFAS). FPLP levies 15% of the payment. Taxpayers receiving disability payments and Medal of Honor recipients ARE NOT subject to the FPLP.

A paper levy (Form 668-W) should not be in effect simultaneously with the FPLP levy on the same payment. Follow the procedures in IRM 5.11.7.2.5.1, FPLP or Paper Levy to ensure this does not occur or if it is occurring, how to handle the situation.

The process to release FPLP levies on military retirement payments is outlined in IRM 5.11.7.2.6, Blocking or Releasing FPLP Levy. As a reminder, if a FPLP levy release is warranted on the account; do not prepare the Form 668-D, Release of Levy, as the instrument to release the levy. FPLP levy releases can only be processed electronically as outlined in the IRM.

If you have any questions you may contact me, or a member of your staff may contact Kristi Darby, Tax Analyst, at 816-499-4521 or kristi.l.darby@irs.gov.

cc: www.irs.gov