Internal Revenue Service **Department of the Treasury**

Date:

Person to Contact:

Contact Telephone Number:

Contact Fax Number:

Employee Identification Number:

Refer Reply to:

Form 1127 - Application for Extension of Time for Payment of Tax

Dear

We have reviewed the Form 1127, Application for Extension of Time for Payment of Tax Due to Undue Hardship, which you recently submitted to the Internal Revenue Service. Your application has been denied because you have not made a satisfactory showing that payment on the due date will result in an undue hardship.

Please see the general instructions on Page 3 of Form 1127. An extension of time to pay a tax liability under Internal Revenue Code section 6161 (26 U.S.C. § 6161) will be granted only upon a satisfactory showing that payment on the due date will cause an undue hardship. The term “undue hardship” means more than an inconvenience. You must show you will have a substantial financial loss (such as selling property at a sacrifice price) if you pay your tax on the date it is due.

We have determined that payment on the due date will not cause undue hardship because ***[explain reason for rejecting application]***.

A copy of your Form 1127 is attached for your reference. We have also enclosed Publication 1, Your Rights as a Taxpayer, and Publication 594, The IRS Collection Process, for your review.

If, upon receipt of a first notice to pay the balance due, you are unable to pay the liability in full, you may contact the Internal Revenue Service at the telephone number shown on the notice in order to make the necessary arrangements to pay.

If you have any questions regarding this letter, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Enclosures:
Copy of Form 1127 Application
Publication 1, Your Rights as a Taxpayer
Publication 594,The IRS Collection Process