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.

[Insert applicable paragraph(s) and information explaining why application is being returned as nonprocessable]

[Application untimely]

Please refer to the General Instructions, When To File, on page 3 of the Form 1127. Because you are requesting an extension to pay [select either *the amount of tax shown or required to be shown on a tax return* or *an amount determined as a deficiency on Form* _____], the Form 1127 and supporting documentation must have been received by the IRS on or before the [select either *due date of that return, not including extensions* or *due date for payment of the deficiency*]. Because your Form 1127 was not received by this due date, it is being returned to you as nonprocessable.

[Inadequate or no supporting documentation]

Please refer to the specific instructions on page 4 for completing Form 1127. An extension of time to pay tax will be considered if it can be established that undue hardship would result if you pay the tax on or before the due date. The request must be accompanied by a statement of your assets and liabilities, and an itemized list of your income and expenses for each of the three months prior to the due date of the tax. This information is needed to determine whether you have met the conditions of undue hardship.

Your Form 1127 application is being returned to you as nonprocessable because you did not include with your application:

__ a statement of your assets and liabilities

___ an itemized list of your income and expenses for each of the three months prior to the due date of the tax.

Because you have not submitted the required supporting documentation with your application, we cannot determine whether you have met the conditions of undue hardship.

[Improper use of Form 1127]

Please refer to the Determination Chart on page 3 of the Form 1127. This form is used to request an extension of time under Internal Revenue Code section 6161 (26 U.S.C. § 6161) for payment of a tax shown or required to be shown on a return, or payment of an amount determined as a deficiency, due to an undue hardship. Form 1127 is not the correct form to file if you are seeking [*state the type of relief incorrectly being requested by taxpayer on Form 1127, e.g. an extension of time to file a tax return*]. Accordingly, the Form 1127 is being returned to you as nonprocessable.

[Extension period requested for payment of a tax shown or to be shown on a return exceeds that allowable by statute]

Please refer to the General Instructions, Extension Period, on page 3 of the Form 1127. An extension of time to pay the amount of a tax shown or required to be shown on a return may not exceed six months unless you are out of the country. Because the extension date you requested on your application is greater than six months, and there is no indication in your application that you are currently out of the country, your application is being return to you as nonprocessable.

[Extension period requested for payment of a deficiency exceeds that allowable by statute]

Please refer to the General Instructions, Extension Period, on page 3 of the Form 1127. An initial extension of time to pay an amount determined as a deficiency is limited to 18 months. Because the extension date you requested on your application is greater than 18 months, your application is being return to you as nonprocessable.

[Standard paragraphs for all nonprocessable letters]

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 – Returned as Nonprocessable
Publication 1, Your Rights as a Taxpayer
Publication 594,The IRS Collection Process