



# Got a tax bill you can't pay?

**An IRS payment plan, including an installment agreement, may be an option. And, you may be able to set it up online – it's fast, easy and secure.**

Filing your return and paying what you owe on time is always best. That way, you avoid penalties and interest. If you can't pay your bill in full, file on time and pay what you can to keep your penalties and interest to a minimum.

Once you have filed your return, visit [IRS.gov](https://www.irs.gov) to see if you can set up a payment plan for the balance. Generally, individual taxpayers who owe a total of \$50,000 or less, and can pay it off in 72 monthly payments or less, can set up their payment plan online using our Online Payment Agreement application. Business taxpayers who owe \$25,000 or less from the current and prior calendar year, and who can pay it off in 24 monthly payments or less, may also qualify to use the online application.

In addition to a long-term monthly payment plan (installment agreement), the online application also allows you to set up a short-term payment plan of up to 180 days with no set up fee. Remember, the sooner you pay what you owe the less your penalty and interest charges.

In most cases, you have options for making your payments. You can pay by direct debit from your bank account, through payroll deduction, electronic funds transfer or check. The amount of your liability may require you to make your payments by direct debit.

The direct debit payment option has advantages. For example, the IRS charges a \$130 fee to establish a long-term monthly payment plan (installment agreement) using our Online Payment Agreement application (or, if you meet our low-income guidelines, a \$43 reduced fee that may be reimbursed if certain conditions are met). But if you use our Online Payment Agreement application and elect to make your payments by direct debit, the fee is only \$31 and this fee may be waived if you meet our low-income guidelines. Also, direct debit payments are automatic with no checks to write, no trips to the post office to mail your check and no missed or late payments leading to more penalties.

For more information and to apply online, visit us at [IRS.gov/PaymentPlans](https://www.irs.gov/PaymentPlans) to get started. From there it is three easy steps:

- ❶ Determine your eligibility,
- ❷ Gather your information, and
- ❸ Submit your application

The online application provides immediate notification of whether your payment plan has been approved.

So, if you have a tax bill you can't pay, try the IRS' Online Payment Agreement application. It's fast, it's easy and your information is safe and secure. If you are unable to set up a long-term payment plan (installment agreement) using the Online Payment Agreement application, then for a higher fee you can submit a Form 9465 to request to enter into an installment agreement.