

ID: CCA_2010102611240722

Number: **201049041**

Release Date: 12/10/2010

Office:

UILC: 6302.00-00

From:

Sent: Tuesday, October 26, 2010 11:24:22 AM

To:

Cc:

Subject: RE: Designated Payments

The IRS will not transfer or redesignate a payment that has been applied to a taxpayer's account to satisfy a different liability of the taxpayer if the payment was applied according to the taxpayer's instructions. If the IRS applies a payment contrary to a taxpayer's instructions, the IRS will, upon request by the taxpayer, transfer the payment to the intended tax liability.

A corporation that believes it will have overpaid its estimated tax for the tax year may apply for a quick refund on Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax, before the 16th day of the 3rd month after the end of the tax year at issue, but before it files its income tax return, if the overpayment is at least 10% of the expected tax liability and at least \$500. A corporation should not file Form 4466 before the end of its tax year.

In 2001, the IRS issued Announcement 2001-112. As part of disaster relief with respect to the terror attacks of September 11, the IRS permitted taxpayers to redesignate estimated tax payments as tax deposits to satisfy obligations to deposit employment taxes imposed by chapters 21, 22, and 23 of the Code, and income taxes withheld under chapter 24. The relief described in Announcement 2001-112 only applied to the 2001 taxable year.