



Department of the Treasury  
Internal Revenue Service  
Cincinnati, OH 45999-0039

<b>Notice</b>	CP103
<b>Tax period</b>	December 31, 2016
<b>Notice date</b>	February 5, 2018
<b>Employer ID number</b>	nn-nnnnnnn
<b>To contact us</b>	Phone 1-800-xxx-xxxx

ABC-XYZ COMPANY  
22 BOULDER STREET  
HANSON, CT 00000-7253

We've made changes to your Form CT-1 for the tax period ended December 31, 2016

## Adjusted amount due: \$6,161.05

We believe there are miscalculations on your Form CT-1 for the tax period ended December 31, 2016, which affects the following area of your return:

- tax deposits

As a result, your balance due has been adjusted to \$6,161.05

### What you need to do immediately

### Billing Summary

Tax you owe	\$390,331.00
Payments you made	385,009.18
Failure to pay penalty	\$130.62
Failure to make a proper federal tax deposit penalty	\$532.18
Interest charges	176.43
<b>Amount due by February 26, 2017</b>	<b>\$6,161.05</b>

Review this notice, and compare our changes to the information on your tax return.

### Pay immediately

- You must pay the unpaid tax of \$5,321.82 by February 15<sup>th</sup>, 2018 and the full balance of \$6,161.05 by February 26, 2018, to avoid additional interest charges on the unpaid balance and additional penalty charges on any unpaid tax.

Continued on back...



ABC-XYZ Company  
22 Boulder Street  
Hanson, CT 00000-7253

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## Payment

- Make your check or money order payable to the United States Treasury.
- Write your Taxpayer ID number (nn-nnnnnnn), the tax period (12/31/16) and the form number (CT-1) on your payment and any correspondence.

INTERNAL REVENUE SERVICE  
CINCINNATI, OH 45999-0150

**Amount due by  
February 26, 2018**

<b>\$6,161.05</b>
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What you need to do immediately —  
**continued**

- You must pay the full balance you owe by February 26, 2018 to avoid additional interest charges.
- If you're enrolled in the Electronic Federal Tax Payment System (EFTPS), you may use that method of payment instead of paying by check or money order.
- If you can't pay the amount due, pay as much as you can now and call us at 1-800-xxx-xxxx to discuss your options for paying the remaining balance.
- We have received notification that a petition in bankruptcy has been filed by or against you. Any tax incurred before the date of the petition should not be paid at this time. We may file a proof of claim in the bankruptcy proceeding for this amount.
- If the tax (or any portion of it) was incurred after the filing of the bankruptcy petition, the balance (or the post-petition portion) should be paid in full.

**If you think there's been a mistake**

- Call 1-800-xxx-xxxx. Have your payment information and a copy of your tax return available to review with us. You can also contact us by mail. Fill out the Contact information section, detach, and send it to us with any correspondence or documentation.

**If we don't hear from you**

If you don't pay the unpaid tax of \$5,321.82 by February 15, 2018 we will charge an additional 5% failure-to-deposit penalty.



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**Contact information**

INTERNAL REVENUE SERVICE  
CINCINNATI, OH 45999-0150

If your address has changed, please call 1-800-xxx-xxxx or visit [www.irs.gov](http://www.irs.gov).

Please check here if you've included any correspondence. Write your Employer ID number (nn-nnnnnnn), the tax period (12/31/2016) and the form number (941) on any correspondence.

	<input type="checkbox"/> a.m.		<input type="checkbox"/> a.m.
	<input type="checkbox"/> p.m.		<input type="checkbox"/> p.m.
Primary phone	Best time to call	Secondary phone	Best time to call

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**If we don't hear from you** If you don't pay the unpaid tax of \$5,321.82 by February 15, 2018 we will charge an additional 5% failure-to-deposit penalty.

**Changes to your December 31, 2016 tax return** Information was changed because of the following:  
 • We found an error in the amount reported as total Federal Tax Deposits for the quarter and/or overpayment from the previous quarter.

<b>Credits and payments</b>	Description	IRS calculations
	Total tax after adjustment	390,331.00
	Total tax deposits	385,009.18
	<b>Total tax deposits, credits, and payments</b>	<b>\$385,009.18</b>

<b>Payments credited to your account for the tax period ended December 31, 2016</b>	Date received	Description	Amount
	10/16/16	Federal tax deposit	\$101,678.18
	11/17/16	Federal tax deposit	81,843.00
	12/17/16	Federal tax deposit	201,848.00
	Total payments		\$385,009.18

**Penalties** We are required by law to charge any applicable penalties.

**Failure-to-pay**

Date filed	Months late	Unpaid Amount	Penalty Rate	Amount
02/28/16	7	\$3,732.02	0.5%	<b>\$130.62</b>

We assess a 1/2% monthly penalty for not paying the tax you owe by the due date. We base the monthly penalty for paying late on the net unpaid tax at the beginning of each penalty month following the payment due date for that tax. This penalty applies even if you filed the return on time. We charge the penalty for each month or part of a month the payment is late; however, the penalty can't be more than 25% in total.

- The due date for payment of the tax shown on a return generally is the return due date, without regard to extensions.
- The due date for paying increases in tax is within 21 days of the date of our notice demanding payment (10 business days if the amount in the notice is \$100,000 or more).

If we issue a Notice of Intent to Levy and you don't pay the balance due within 10 days of the date of the notice, the penalty for paying late increases to 1% per month.

For sole proprietors who filed on time, the penalty decreases to 1/4% per month while an approved installment agreement with the IRS is in effect for the payment of that tax. (Internal Revenue Code Section 6651)

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Penalties--continued

**Failure to pay proper federal tax deposit**

Date due	Date received	Days late	Payment method	Penalty rate	Unpaid amount	Penalty amount
10/15/2016	Not received	--	--	10%	\$1,659.61	\$169.96
11/15/2016	Not received	--	--	10%	1,807.33	180.73
12/15/2016	Not received	--	--	10%	1,854.88	185.49
<b>Total failure to make a proper federal tax deposit</b>						<b>\$532.18</b>

We charged a penalty because you did not make a proper tax deposit. Common reasons why we charge this penalty are:

- You did not deposit your taxes on time
- You did not deposit enough tax
- You paid your tax directly to the IRS
- You did not deposit your tax electronically, as required by law

For more information about depositing taxes, see Employer's Tax Guide (Publication 15) or Agricultural Employer's Tax Guide (Publication 51) (Internal Revenue Code section 6656)

**Removal or reduction of penalties**

We understand that circumstances—such as a serious illness or injury, a family member's death, or loss of financial records due to natural disaster—may make it difficult for you to meet your taxpayer responsibility in a timely manner.

We can generally process your request for penalty removal or reduction quicker if you contact us at the number listed above with the following information:

- Identify which penalty charges you would like us to reconsider (e.g., 2016 late filing penalty).
- For each penalty charge, explain why you believe it should be reconsidered.

If you write us, include a signed statement and supporting documentation for penalty abatement request.

We'll review your request and let you know whether we accept your explanation as reasonable cause to reduce or remove the penalty charge(s).

**Removal of penalties due to erroneous written advice from the IRS**

If you were penalized based on written advice from the IRS, we will remove the penalty if you meet the following criteria:

- You wrote us asking for written advice on a specific issue
- You gave us adequate and accurate information
- You received written advice from us
- You reasonably relied on our written advice and were penalized based on that advice

To request removal of penalties based on erroneous written advice from us, submit a completed Claim for Refund and Request for Abatement (Form 843) to the address shown above. For a copy of the form, go to [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).

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## Interest Charges

We are required by law to charge interest when you do not pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly. (Internal Revenue Code section 6601)

We multiply your unpaid tax, penalties, and interest (the amount due) by the interest rate factor to determine the interest due each quarter.

Period	Days	Interest rate	Interest rate factor	Amount due	Interest charge
12/31/2016	30	5%	2.0	\$2,004.00	\$176.43
<b>Total interest</b>					<b>\$176.43</b>

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## Additional interest charges

If the amount you owe is \$100,000 or more, please make sure that we receive your payment within 10 work days from the date of this notice. If the amount is less than \$100,000, please make sure that we receive your payment within 21 calendar days from the date of this notice. If we don't receive full payment within these time frames, the law requires us to charge interest until you pay the full amount you owe.

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## Additional information

- Visit [www.irs.gov/cp103](http://www.irs.gov/cp103)
- For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).
- If you believe your small business has experienced excessive compliance or enforcement actions from any federal agency, you have the right to file a complaint with the Small Business Administration ombudsman. To learn more about your options and the Small Business Regulatory Enforcement Fairness Act, visit [www.sba.gov](http://www.sba.gov) and search for keyword: "ombudsman."
- Keep this notice for your records.

If you need assistance, please don't hesitate to contact us.