



<b>Notice</b>	CP131A
<b>Tax period</b>	December 31, 2016
<b>Notice date</b>	January 31, 2017
<b>Employer ID number</b>	NN-NNNNNNN
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**What you need to do – continued**

**If you don't agree with the changes**

- Call 1-800-829-0115 to review your account.
- You can also contact us by mailing the completed contact stub with any correspondence or documentation.
- If you contact us in writing within 60 days of the date of this notice, we will reverse the change we made to your account. However, if you are unable to provide us additional information that justifies the reversal and we believe the reversal is in error, we will forward your case for audit. This step gives you formal appeal rights, including the right to appeal our decision in court. After we forward your case, the audit staff will contact you within five to six weeks to fully explain the audit process and your rights.
- If you do not contact us within 60 days, you will have to file a claim for refund to dispute the change. You must submit the claim within 3 years of the date you filed the tax return, or within 2 years of the date of your last payment for this tax.
  - We'll assume you agree with the information in this notice if we don't hear from you.

**Changes to your tax return**

Information was changed because of the following:

- We found that the estimated tax payments (Federal Tax Deposits and applied overpayment from last year's tax) shown on your account do not agree with the amount claimed on your return.

**Tax calculations**

Description	IRS Calculations
Total income	\$23,000.00
Total deductions	\$16,000.00
Taxable income	\$7,000.00
<b>Total taxes</b>	<b>\$1,000.00</b>

**Your payments and credits**

Description	IRS calculations
Total estimated tax deposits	\$950.00
Withholding credit	\$ .00
Overpayment applied from prior tax period	\$ .00
Other credits and payments	\$47.00
<b>Total estimated tax deposits, credits, and payments</b>	<b>\$950.00</b>

**Payments credited to your account**

The total amount of your payments, including deposits and credits, shown below, were applied to any change in taxes owed. Please call 1-800-829-0115 if any information is incorrect or missing.

Date received	Payment description	Amount
XX/XX/XX	Estimated tax deposit	\$500.00
XX/XX/XX	Estimated tax deposit	\$400.00
XX/XX/XX	Estimated tax deposit	\$50.00
<b>Total</b>		<b>\$950.00</b>

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## Penalties

We're required by law to charge any applicable penalties.

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## Failure-to-pay

Description	Amount
<b>Total failure-to-pay</b>	<b>\$2.00</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 individuals who filed on time, the penalty decreases to 1/4% per month while an approved installment agreement with the IRS is in effect for payment of that tax. (Internal Revenue Code Section 6651)

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## Removal or reduction of penalties

We understand that circumstances - such as death of a key officer or loss of financial records due to natural disaster - may make it difficult for the corporation to meet its tax obligations in a timely manner.

If you'd like us to consider removing or reducing any of your penalty charges, please do the following:

- Identify which penalty charges you'd like us to reconsider (e.g., 2012 late filing penalty).
- For each penalty charge, explain why you believe it should be reconsidered.
- Sign your statement, and mail it to us.

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

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## Removal of penalties due to erroneous advice from the IRS

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

- You asked the IRS for written advice on a specific issue
- You gave us complete and accurate information
- You received written advice from us
- You relied on our written advice and were penalized based on that advice

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To request the removal of penalties based on erroneous written advice from us, submit a completed Form 843, *Claim for Refund and Request for Abatement*, to the IRS service center where you filed your tax return. For a copy of the form or to find your IRS service center, go to [www.irs.gov](http://www.irs.gov) or call 1-800-829-0115.

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## Interest charges

We're required by law to charge interest on unpaid tax from the date the tax return was due to the date the tax is paid in full. The interest is charged as long as there is an unpaid amount due, including penalties, if applicable. (Internal Revenue Code section 6601)

Description	Amount
<b>Total interest</b>	<b>\$1.00</b>

The table below shows the rates used to calculate the interest on your unpaid amount due. For a detailed calculation of your interest, call 1-800-829-0115.

Period	Interest rate
October 1, 2008 through December 31, 2008	6%
January 1, 2009 through March 31, 2009	5%
April 1, 2009 through December 31, 2010	4%
January 1, 2011 through March 31, 2011	3%
April 1, 2011 through September 30, 2011	4%
Beginning October 1, 2011	3%

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## Corporate interest

We charge additional interest of 2% if, according to our records, you didn't make your corporate tax payment within 30 days after the IRS notified you of the underpayment of tax. This begins on the 31st day after we notify you of the underpayment on tax amounts you owe over \$100,000, minus your timely payments and credits.

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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 business 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 periods, 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/cp131a](http://www.irs.gov/cp131a)
- For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).
- Keep this notice for your records.

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