



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

Notice	CP132
Tax period	December 31, 2016
Notice date	January 30, 2017
Employer ID number	nn-nnnnnnn
To contact us	1-800-829-0115

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s018999546711s  
ABC-XYZ COMPANY  
22 BOULDER STREET  
HANSON, CT 00000-7253

We made changes to your December 31, 2016, Form 1120

## Amount due: \$4,800.00

We believe there's a miscalculation on your December 31, 2016, Form 1120, which affects the following area of your return:

- estimated tax payments

We made changes to your return that corrects this error. As a result, you owe \$4,800.00.

### Billing Summary

Tax you owed	\$5,000.00
Payments you made	\$300.00
Failure-to-pay penalty	\$50.00
Interest charges	\$50.00
<b>Amount due by February 19, 2017</b>	<b>\$4,800.00</b>

### What you need to do immediately

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

#### If you agree with the changes we made

- Pay the amount due of \$4,800.00 by February 19, 2017, to avoid any additional penalty and interest charges.

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 Employer ID number (nn-nnnnnnn), the tax period (December 31, 2016), and the form number (1120) on your payment and any correspondence.

**Amount due by  
February 19, 2017**

<b>\$4,800.00</b>
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INTERNAL REVENUE SERVICE  
CINCINNATI, OH 45999-0150  
s018999546711s

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What you need to do immediately –  
**continued**

If you agree with the changes we made – **continued**

- If you're enrolled in the Electronic Federal Tax Payment System (EFTPS), you can 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 1-800-829-0115 to discuss your options for paying the remaining balance.

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

- Call 1-800-829-0115. Have your account information 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 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 before you have to pay the additional tax. 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, the change will not be reversed and you must pay the additional tax. Following payment of the tax, you can file a claim for refund to dispute the change. You must submit the claim within three years of the date you filed the tax return, or within two years of the date of your last payment for this tax.
- If we don't hear from you, we'll assume you agree with the information in this notice.



**Contact information**

INTERNAL REVENUE SERVICE  
CINCINNATI, OH 45999-0150  
s018999546711s

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

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If your address has changed, please call 1-800-829-0115 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 (December 31, 2016), and the form number (1120) 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

**Changes to your December 31, 2016, tax return**

We made the changes for the following reason(s):

- We found the amount reported as total estimated tax payments for the year differs from the amount we credited to your account.

**Tax calculations**

Description	IRS calculations
Total income	\$150,000.00
Total deductions	\$10,000.00
Taxable income	\$140,000.00
<b>Total taxes</b>	<b>\$5,000.00</b>

**Payments credited to your account for tax period ending December 31, 2016**

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
1/19/16	Estimated tax payment	\$150.00
3/19/16	Estimated tax payment	\$150.00
<b>Total</b>		<b>\$300.00</b>

**Penalties**

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

**Failure-to-pay**

Description	Amount
<b>Total failure-to-pay</b>	<b>\$50.00</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 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 payment of that tax. For a detailed calculation of your penalty charges, call 1-800-829-0115.

**Removal or reduction of penalties**

We understand that circumstances - such as the 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 will 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

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.

**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)

Description	Amount
<b>Total interest</b>	<b>\$50.00</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
April 1, 2011 through September 30, 2011	4%
Beginning October 1, 2011	3%

**Corporate interest**

If you are a C corporation, and you underpaid your tax by more than \$100,000 for any taxable period, we charge additional interest of 2% if the full amount shown as due on a notice isn't paid within 30 days of the notice date. If you don't pay within 30 days, interest at the higher rate begins on the 31st day after the notice date. Once the additional 2% rate begins to apply, we charge the additional interest on all underpayments for that type of tax and that tax period until you pay your balance in full.

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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/cp132](http://www.irs.gov/cp132)
- 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.