



Department of the Treasury  
Internal Revenue Service  
Atlanta, GA 39901-0010

Notice	CP22I
Tax year	2017
Notice date	January 30, 2018
Social security number	nnn-nn-nnnn
To contact us	Phone 1-xxx-xxx-xxxx
Your caller ID	nnnn
<b>Page 1 of 6</b>	

JOHN AND MARY SMITH  
123 N HARRIS ST  
HARVARD, TX 12345

Changes to your 2017 Form 5329

## Amount due: \$4,403.21

We are sending you this notice because we changed your 2016 Form 5329 for Individual Retirement Arrangement (IRA) taxes.

As a result, you owe \$4,403.21

### Billing Summary

Account balance before this change	\$3,183.00
Increase in tax	223.61
Increase in failure-to-file penalty	318.30
Increase in failure-to-pay penalty	633.30
Increase in interest	45.00
<b>Amount due by February 20, 2018</b>	<b>\$4,403.21</b>

### What you need to do immediately

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

- Pay the amount due of \$4,403.21 by February 20, 2018, to avoid additional interest and applicable penalty charges.
- Pay online or mail a check or money order with the attached payment stub. **You can pay online now at [www.irs.gov/payments](http://www.irs.gov/payments).**

Continued on back...



John and Mary Smith  
123 N Harris Street  
Harvard, TX 12345

Notice	CP22I
Notice date	January 30, 2018
Social security number	nnn-nn-nnnn

## Payment

- Make your check or money order payable to the United States Treasury.
- Write your social security number (nnn-nn-nnnn), the tax year (2017), and the form number (5329) on your payment.

INTERNAL REVENUE SERVICE  
AUSTIN, TX 73301-0023

**Amount due by  
February 20, 2018**

**\$4,403.21**

<b>Notice</b>	CP221
<b>Tax year</b>	2017
<b>Notice date</b>	January 30, 2018
<b>Social security number</b>	nnn-nn-nnnn
<b>Page 2 of 6</b>	

---

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

**If you disagree with the changes we made**

Call us at 1-xxx-xxx-xxxx to review your account with a representative. Be sure to have your account information available when you call.

We'll assume you agree with the information in this notice if we don't hear from you.

---

**Payment options**

**Pay now electronically**

IRS Direct Pay is a free payment option to securely pay your tax bill directly from your checking or savings account. When you use Direct Pay, you can:

- Receive instant confirmation of your payment
- Schedule payments in advance
- Reschedule or cancel a payment before the due date

You can also pay by debit or credit card for a small fee. To see all of our payment options, visit [www.irs.gov/payments](http://www.irs.gov/payments).

**Payment plans**

If you can't pay the full amount you owe, pay as much as you can now and make arrangements to pay your remaining balance. Visit [www.irs.gov/paymentplan](http://www.irs.gov/paymentplan) for more information on installment agreements and online payment agreements. You can also call us at 1-xxx-xxx-xxxx to discuss your options.

**Offer in Compromise**

An offer in compromise allows you to settle your tax debt for less than the full amount you owe. If we accept your offer, you can pay with either a lump sum cash payment plan or periodic payment plan. To see if you qualify, use the Offer in Compromise Pre-Qualifier tool on our website. For more information, visit [www.irs.gov/offers](http://www.irs.gov/offers).

---

Back of payment stub

<b>Notice</b>	CP221
<b>Tax year</b>	2017
<b>Notice date</b>	January 30, 2018
<b>Social security number</b>	nnn-nn-nnnn

**Page 3 of 6**

**Payment options—continued**

**Account balance and payment history**

For more information on how to obtain your current account balance or payment history, go to [www.irs.gov/balancedue](http://www.irs.gov/balancedue).

If you already paid your balance in full within the past 21 days or made payment arrangements, please disregard this notice. If you don't pay the amount due or call us to make payment arrangements, we will continue to send you annual reminder notices of your balance due until the statute of limitations for collection expires.

If you think we made a mistake, call 1-800-829-0922 to review your account.

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

Pay \$4,403.21 by February 20, 2017, to avoid additional penalty and interest charges.

**Penalties**

We are required by law to charge any applicable penalties

**Failure-to-file**

Description	Amount
<b>Total failure-to-file</b>	<b>\$318.30</b>

We assess a 5% monthly penalty for filing your return late for each month or part of a month the return is late, for up to 5 months.

When a penalty for paying late applies for the same month, the amount of the penalty for filing late for that month is reduced by the amount of the penalty for paying late for that month. The penalty for paying late is ½% for each month or part of a month.

We base the monthly penalty for filing late on the tax required to be shown on the return that you didn't pay by the original return due date, without regard to extensions. 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.

When an income tax return is more than 60 days late, the minimum penalty is \$135 or 100% of the tax required to be shown on the return that you didn't pay on time, whichever is less.

(Internal Revenue Code Section 6651)

<b>Notice</b>	CP221
<b>Tax year</b>	2017
<b>Notice date</b>	January 30, 2018
<b>Social security number</b>	nnn-nn-nnnn

**Page 4 of 6**

---

**Penalties – continued**

---

<b>Failure-to-pay</b>	Description	Amount
	<b>Total failure-to-pay</b>	<b>\$633.30</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)

For a detailed calculation of your penalty charges, call 1-800-829-0922.

---

**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).

<b>Notice</b>	CP221
<b>Tax year</b>	201
<b>Notice date</b>	January 30, 2018
<b>Social security number</b>	nnn-nn-nnnn
<b>Page 5 of 6</b>	

---

**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).

---

**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>\$45.00</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-xxx-xxx-xxxx.

<b>Notice</b>	CP221
<b>Tax year</b>	2017
<b>Notice date</b>	January 30, 2018
<b>Social security number</b>	nnn-nn-nnnn
<b>Page 6 of 6</b>	

---

## Additional Information

- Visit [www.irs.gov/22i](http://www.irs.gov/22i).
- You may find the following publications helpful:
  - Publication 1, Your Rights as a Taxpayer
  - Publication 594, The Collection Process
  - Publication 1660, Collection Appeal Rights
- For tax forms, instructions, and publications, visit [www.irs.gov/formspubs](http://www.irs.gov/formspubs) or call 1-800-TAX-FORM (1-800-829-3676).
- Paying online is convenient, secure, and ensures timely receipt of your payment. To pay your taxes online or for more information, go to [www.irs.gov/payments](http://www.irs.gov/payments).
- You can contact us by mail at the address at the top of the first page of this notice. Be sure to include your social security number and the tax year and form number you are writing about.
- Keep this notice for your records.

We're required to send a copy of this notice to both you and your spouse. Each copy contains the same information about your joint account. Please note: Only pay the amount due once.

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