



Department of the Treasury
Internal Revenue Service
Holtsville, NY 11742-0480

| | |
|------------------------|----------------------|
| Notice | CP521 |
| Tax year | 2016 |
| Notice date | January 30, 2017 |
| Social security number | NNN-NN-NNNN |
| To contact us | Phone 1-800-829-0922 |
| Your caller ID | 1234 |
| Page 1 of 5 | |
| ADR Bar Code | |

s018999546711s
JOHN SMITH
123 N HARRIS ST
HARVARD, TX 12345

Your installment agreement

Monthly payment due: \$300.00

Your monthly payment of \$300.00 is due on February 20, 2017.

If you can't pay your monthly bill by this date, call us at 1-800-829-0922 to discuss your situation.

Payment information

| | |
|-----------------------|-------------------|
| Last payment amount | \$300.00 |
| Last payment received | January 18, 2017 |
| Amount you owe | \$12,600.47 |
| Payment due date | February 20, 2017 |
| Minimum payment due | \$300.00 |

What you need to do immediately

- Make your payment of \$300.00 by February 20, 2017, or you may default on your agreement. If you default, you may have to pay a user fee to reinstate it.
- Pay online or mail a check or money order with the attached payment stub. **You can pay online now at www.irs.gov/payments.**

Continued on back...



John Smith
123 N Harris St
Harvard, TX 12345

| | |
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Payment

- Make your check or money order payable to the United States Treasury.
- Write your social security number (NNN-NN-NNNN), the tax year (2016), and the form number (1040) on your payment.

Monthly payment due by
February 20, 2017

| |
|-----------------|
| \$300.00 |
|-----------------|

INTERNAL REVENUE SERVICE
P.O. BOX 37004
HARTFORD, CT 06176-7004
s018999546711s

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Payment options

Pay now electronically

We offer free payment options to securely pay your tax bill directly from your checking or savings account. When you pay online or with your mobile device, you can:

- Receive instant confirmation of your payment
- Schedule payments in advance
- Modify 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.

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.

Account balance and payment history

For information on how to obtain your current account balance or payment history, go to 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 think we made a mistake, call 1-800-829-0922 to review your account.

If we don't hear from you

If we don't receive your payment of \$300.00 by February 20, 2017, you may default on your installment agreement. If you default, you may have to pay a user fee to reinstate it.

Back of payment stub

| | |
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Installment agreement summary

| Tax year | Form | Amount you owe | Failure-to-pay penalty to date | Interest charges to date |
|--------------------------|------|-----------------|--------------------------------|--------------------------|
| 2016 | 1040 | 10,000.00 | 864.32 | 1,324.15 |
| 2016 | SRP | 400.00 | | 12.50 |
| Remaining balance | | \$10,400 | | |

The penalty and interest charges shown above represent the total amounts charged since your liability became due. To determine the amount of penalty and interest charged since your last reminder notice, compare the amounts in last month's reminder notice with the amounts shown above.

Lines marked with SRP are for the shared responsibility payment. The SRP is charged for failing to maintain minimum essential healthcare coverage. The SRP is not subject to a Notice of Federal Tax Lien filing, levy on your property, or the failure-to-pay penalty. For information on how to obtain healthcare coverage, visit www.healthcare.gov.

Penalties

We are required by law to charge any applicable penalties.

Failure-to-pay

| Description | Amount |
|-----------------------------|-----------------|
| Total failure-to-pay | \$864.32 |

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.

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

(Internal Revenue Code Section 6651)

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Removal or reduction of penalties

We understand that circumstances may make it difficult for you to meet your responsibility in a timely manner. We can consider a request to remove or reduce penalties if you had an acceptable reason for failing to meet your responsibilities.

If you would like us to consider removing or reducing any of your penalty charges, please call us at 1-800-829-3009 and be prepared to provide the following:

- The penalty charges you would like us to remove or reduce (e.g., 2013 late filing penalty).
- For each penalty charge, an explanation why you believe removal or reduction is appropriate.

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

If you prefer to write, be sure to sign your request and include any documents that show you had reasonable cause.

If we approve your request, we will also remove any interest charged on the penalties. However, interest charged on tax cannot be removed for reasonable cause.

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 sent a written request to the IRS for written advice on a specific issue
- You gave us complete and accurate information
- You received written advice from us
- You reasonably relied on our written advice
- You were penalized based on your reliance 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 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 or call 1-800-829-0922.

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)

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Interest charges - **continued**

| Description | Amount |
|-----------------------|-------------------|
| Total interest | \$1,324.15 |

The table below shows the rates used to calculate the interest on your unpaid amount due. For a detailed calculation of your interest, call 1-800-829-0922.

| Period | Interest rate |
|-------------------------------------|----------------------|
| October 1, 2016 – December 31, 2016 | 3% |
| Beginning January 1, 2017 | 3% |

Money-saving tips

- Visit www.irs.gov/paymentplan. The Online Payment Agreement application will allow you to:
 - Submit your payment online
 - Change your due date
 - Get a payoff amount
 - Create an automated Direct Debit Installment Plan—it’s easy and you’ll never miss a payment. You’ll save time, trees, and postage.
- Pay a little more each month. This will help you finish paying sooner and will save you money in the long run. Review the electronic payment options in this notice.

Additional information

- Visit www.irs.gov/cp521.
- For tax forms, instructions, and publications, visit www.irs.gov 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.
- 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.