

IRS Letter CP23 Sample Tax Notice

This sample is provided by TaxAudit, the nation's leading tax representation firm.

Visit TaxAudit.com



Department of the Treasury
Internal Revenue Service
Stop 6525 (SP CIS)
Kansas City MO 64999-0025



Notice	CP23
Tax Year	2018
Notice date	May 20, 2019
Social Security number	XXX-XX-XXXX
To contact us	800-829-1040
Your Caller ID	XXXXXX
Page 1 of 5	9H

XXXXXX.XXXXXX.XXXXX.XXXXX X XX X.XXX XXX



FIRST NAME LAST
555 AVENUE ST
BERNALILLO NM 87004-5647

XXXXXX

Changes to your 2018 Form 1040 Amount due: \$4,760.91

We changed your 2018 Form 1040 to match our record of your estimated tax payments, credits applied from another tax year, and/or payments received with an extension to file. As a result, you owe \$4,760.91.

Billing Summary

Tax you owed	\$14,193.00
Payments you made	-9,506.00
Failure-to-pay penalty	46.87
Interest charges	27.04
Amount due by June 10, 2019	\$4,760.91

What you need to do immediately

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

Continued on back...



FIRST NAME LAST
555 AVENUE ST
BERNALILLO NM 87004-5647

Notice	CP23
Notice date	May 20, 2019
Social Security number	XXX-XX-XXXX



Payment

- Make your check or money order payable to the United States Treasury,
- Write your social security number (XXX-XX-XXXX), the tax year (2018), and the form number (1040) on your payment and any correspondence.

Amount due by June 10, 2019

\$4,760.91

INTERNAL REVENUE SERVICE
KANSAS CITY MO 64999-0025



XXXXXXXXXX XX XXXX XX X XXXXXX XXX XXXXXXXXXXXX



Notice	CP23
Tax Year	2018
Notice date	May 20, 2019
Social Security number	XXX-XX-XXXX
Page 2 of 5	9H

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

If you agree with the changes we made

- Pay the amount due of \$4,760.91 by June 10, 2019 to avoid additional penalty and interest 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.

If you disagree with the changes we made

Call us at 800-829-8374 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**

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
- 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.

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 for more information on installment agreements and online payment agreements. You can also call us at 800-829-8374 to discuss your options.



Notice	CP23
Tax Year	2018
Notice date	May 20, 2019
Social Security number	XXX-XX-XXXX
Page 3 of 5	9H

Payment options -- **continued**



xxxxxx

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 800-829-8374 to review your account.

If we don't hear from you

- Pay \$4,760.91 by June 10, 2019, to avoid additional interest and applicable penalty charges.

Changes to your 2018 tax return

Your tax calculations	Description	Your calculations	IRS calculations
	Adjusted gross income, line 7	\$100,718.00	\$100,718.00
	Taxable income, line 10	81,407.00	81,407.00
	Total tax, line 15	\$14,193.00	\$14,193.00

Your payments and credits	Description	IRS calculations
	Income tax withheld, line 16	\$9,506.00
	Estimated tax payments, SCH 5 line 66	0.00
	Other credits, SCH 5 lines 70-74	0.00
	Other payments	0.00
	Total payments and credits	\$9,506.00

Payments credited to your account for 2018 Our records show that you didn't make estimated tax payments.

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

Failure-to-pay

Date received	Months late	Unpaid amount	Penalty rate	Amount
06/15/2019	02	\$4,687.00	0.50%	\$46.87

Total failure-to-pay **\$46.87**



Notice	CP23
Tax Year	2018
Notice date	May, 20, 2019
Social Security number	XXX-XX-XXXX
Page 4 of 5	9H

Penalties -- continued

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)

Note: The penalty amount shown here may differ from the amount shown on Page 1. The computation shown here may include late payment penalty on amounts due before the adjustment.

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



Notice	CP23
Tax Year	2018
Notice date	May 20, 2019
Social Security number	XXX-XX-XXXX
Page 5 of 5	9H

Penalties -- continued

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 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 or call 800-TAX-FORM (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)

Note: The interest amount shown here may differ from the amount shown on Page 1. The computation shown here may include interest charges on amounts due before the adjustment.

Period	Days	Interest rate	Interest factor	Amount due	Interest charge
04/15/2019 -- 05/20/2019	35	6.0%	0.005769532	\$4,687.00	\$27.04
Total interest					\$27.04

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

- Visit www.irs.gov/cp23
- See Publication 1, Your Rights as a Taxpayer and Publication 594, The Collection Process, for more information.
- For tax forms, instructions, and publications, visit www.irs.gov or call 800-TAX-FORM (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 this notice. Be sure to include your social security number, the tax year, and the form number you are writing about.
- Keep this notice for your records.

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