

**Issue Number: IRS Tax Tip 2013-53**

## **Tips for Taxpayers Who Can't Pay Their Taxes on Time**

If you find you owe tax after completing your federal tax return but can't pay it all when you file, the IRS wants you to know your options.

Here are four tips that can help you lower the amount of interest and penalties when you don't pay the full amount on time.

**1. File on time and pay as much as you can.** Filing on time ensures that you will avoid the late filing penalty. Paying as much as you can reduces the late payment penalty and interest charges. For electronic payment options, see [IRS.gov](http://IRS.gov). If you pay by check, make it payable to the United States Treasury and include it with your return.

**2. Consider getting a loan or paying by credit card.** The interest and fees charged by a bank or credit card company may be lower than IRS interest and penalties. For credit card options, see [IRS.gov](http://IRS.gov).

**3. Request a payment agreement.** You do not need to wait for IRS to send you a bill before requesting a payment plan. You can:

- Use the Online Payment Agreement tool at [IRS.gov](http://IRS.gov), or
- Complete and submit Form 9465, Installment Agreement

Request, with your tax return. Find out about payment agreement user fees at [IRS.gov](http://IRS.gov) or on Form 9465.

**4. Don't ignore a tax bill.** If you get a bill from the IRS, contact them right away to talk about payment options. The IRS may take collection action if you ignore the bill, which will only make things worse.

In short, it is always best to file on time, pay as much as you can by the tax deadline and pay the balance as soon as you can. For more information on the IRS collection process go to [IRS.gov](http://IRS.gov) or see [IRSVideos.gov/OweTaxes](http://IRSVideos.gov/OweTaxes). ■