



Department of the Treasury  
Internal Revenue Service  
P.O. BOX 400  
HOLTSVILLE NY 11742-0400

In reply refer to: 0509906034  
Feb. 10, 2025 LTR 5977C K0  
\*\*\*-\*\*-1158 202312 30

00052614  
BODC: SB

CLAUDE A SIMON  
71 TONJES RD  
CALLICOON NY 12723-5729

Taxpayer identification

number: \*\*\*-\*\*-1158

Forms and tax periods: 1040

Dec. 31, 2023

Dear Taxpayer

We accepted your proposal to pay the amount you owe by May 04, 2025. The total amount due is \$5,800.26, including penalty and interest charges to that date.

We've provided a general explanation of the penalties and/or interest we may have included in the current balance due on your account. If you want a specific explanation of how we computed the balance on your account, call us at the toll-free number in this letter and we will send you a detailed computation.

**\*\* FILING AND/OR PAYING LATE -- IRC SECTION 6651 \*\***

We assess a 5% monthly penalty for filing your return late, and a 1/2% monthly penalty for not paying the tax you owe by the due date. When both penalties apply 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 failure-to-file or failure-to-pay penalty may not apply where you've shown that the failure is due to reasonable cause and not willful neglect.

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.

We charge the penalties for each month or part of a month the return or payment is late; however, neither penalty can be more than 25% in total.

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Income tax returns are subject to a minimum late filing penalty when filed more than 60 days after the return due date, including extensions. The minimum penalty is the LESSER of two amounts - 100% of the tax required to be shown on the return that you didn't pay on time, or a specific dollar amount that is adjusted annually for inflation. The specific dollar amounts are found in the Notice 746, Information About Your Notice, Penalty and Interest, and at IRS.gov/ftf.

The penalty for paying late applies even if you filed the return on time. The due date for payment of the tax shown on the return generally is the return due date, without regard to extensions. You must pay increases in tax within 21 days 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.

**\*\* INTEREST -- IRC SECTION 6601 \*\***

We're required by law to charge interest when you don't 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 applicable 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 the penalty for 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.

For more information on penalties and interest, you can review Notice 746, Information About Your Notice, Penalty, and Interest.

**HOW TO PAY TAX YOU OWE**

Visit [www.irs.gov/payments](http://www.irs.gov/payments) for information on paying your taxes electronically. If you don't have access to the internet, call the Electronic Federal Tax Payment System (EFTPS) Customer Service at 800-316-6541 (individual) or 800-555-4477 (business).