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| Notice | CP504 |
| Tax year | 2016 |
| Notice date | January 30, 2017 |
| Social security number | NNN-NN-NNNN |
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What you need to do immediately – **continued** If you agree with the amount due and you're not working with an IRS representative – **continued**

If we notified you that we suspended enforced collection on your account because it would create a financial hardship (meaning you would be unable to pay basic reasonable living expenses if we levied) and your financial condition has not changed, you don't need to do anything.

If you disagree with the amount due

Call us at 1-800-829-0922 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.

What you need to know

Notice of Intent to Levy

This notice is your Notice of Intent to Levy (Internal Revenue Code Section 6331(d)).

If you don't pay the amount due by February 20, 2017, we can levy your state tax refund or other property rights or rights to property. Property or rights to property includes:

- Wages, real estate commissions, and other income
- Bank accounts
- Personal assets (e.g., your car and home)
- Social security benefits

Right to request an appeal

If you don't agree, you have the right to request an appeal under the Collection Appeals Program. Please call 1-800-829-0922 or send us a Collection Appeals Request (Form 9423) to the address at the top of the notice by February 20, 2017.

Back of payment stub

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What you need to know- continued

Denial or revocation of United States passport

On December 4, 2015, as part of the Fixing America's Surface Transportation (FAST) Act, Congress enacted section 7345 of the Internal Revenue Code, which requires the Internal Revenue Service to notify the State Department of taxpayers certified as owing a seriously delinquent tax debt. The FAST Act generally prohibits the State Department from issuing or renewing a passport to a taxpayer with seriously delinquent tax debt.

Seriously delinquent tax debt means an unpaid, legally enforceable federal tax debt of an individual totaling more than \$50,000 for which, a Notice of Federal Tax lien has been filed and all administrative remedies under IRC § 6320 have lapsed or been exhausted, or a levy has been issued. If you are individually liable for tax debt (including penalties and interest) totaling more than \$50,000 and you do not pay the amount you owe or make alternate arrangements to pay, we may notify the State Department that your tax debt is seriously delinquent. The State Department generally will not issue or renew a passport to you after we make this notification. If you currently have a valid passport, the State Department may revoke your passport or limit your ability to travel outside the United States. Additional information on passport certification is available at www.irs.gov/passports.

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 from 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.

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 1-800-829-0922 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.

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.

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If we don't hear from you

If you don't pay the amount due immediately or make payment arrangements, we can file a Notice of Federal Tax Lien on your property at any time or we may levy.

If we file a lien, it may be difficult to sell or borrow against your property. A tax lien will also appear on your credit report – which may harm your credit rating – and your creditors will also be publicly notified that the IRS has priority to seize your property.

Penalties

We are required by law to charge any applicable penalties.

Failure-to-pay

| Description | Amount |
|----------------------|---------|
| Total failure-to-pay | \$34.98 |

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 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.

If you would like us to consider removing or reducing any of your penalty charges, please do the following:

- Identify which penalty charges you would like us to remove or reduce (e.g., 2005 late filing penalty).
- For each penalty charge, explain why you believe removal or reduction is appropriate.
- Sign your statement, and mail it to us along with any supporting documents.

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

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:

- If 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 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 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

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 |
|-----------------------|----------------|
| Total interest | \$54.48 |

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% |

Additional information

- Visit www.irs.gov/cp504.
- You may find the following publications helpful:
- Publication 1, Your Rights as a Taxpayer
- 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.
- Review the enclosed document: IRS Collection Process (Publication 594)

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Additional information - continued

- You can contact us by mail at the following address. Be sure to include your social security number, the tax year, and the form number you are writing about.
Internal Revenue Service
P.O. Box 249
Memphis, TN 38101-0249
- Generally, we deal directly with taxpayers or their authorized representatives. However, occasionally we need to speak with other people, such as employees, employers, banks, or neighbors to gather or verify account information. If we contact a third party, the law prohibits us from sharing any more information than is necessary to obtain or verify what we need to know. You have the right to request a list of individuals we contact about your account.
- 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.