



What Can You Do If You Don't Have the Money to Pay Your Taxes?

If April 15th comes this year and you end up owing taxes and are unable to pay. There are some things that you can do to limit your penalty.

First, file the return by the due date. This will eliminate a late filing penalty, which is **5% per month**. (This will not eliminate a late payment penalty)

Second, pay as much as you can on April 15th. This will reduce the interest and penalty that is charged.

Third, pay it with a credit card. The IRS now allows you to pay your liability with a credit card. However, there is a 2.49% fee associated with this transaction.

Fourth, file form 9465 "Installment Agreement Request". If you qualify, this form will allow you to pay any remaining taxes in monthly payments over time. The IRS charges \$105 to set up an installment agreement, but if you are approved the late payment penalty is cut in half.

By following some of these easy steps you can prevent an unfortunate situation from getting worse. If you think that you might owe the IRS and are unable to pay or you are interested in tax planning strategies, please feel free to call The Ruboyianes Company.