



ITG News

Keeping First Nations Informed



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Message From The Director

As I write, we have just completed the initial meetings to listen to tribal input on the development of an IRS/Tribal Consultation Policy. The 12 meetings held during the past nine months took us to every area of Indian Country. Every one of them provided us with valuable ideas and was an enriching experience. I was particularly pleased by the enthusiastic response we received from many of the participants, and the open exchange of ideas not only gave us critical information from which to begin to frame a policy, but also gave us feedback on the successes and failures of our current relationship with tribes.

I want to thank each of you that took the time to contribute to this process. I realize that many of you were not able to join us. I also realize that many of you may still wish to submit comments and share ideas. That opportunity will arise starting in late January as we embark on the second phase of the policy development process.

By January 31st we will post a summary of each of the 12 meetings on our web site at www.irs.gov/tribes. I encourage each of you to review the comments contained therein. We will incorporate a link that will enable further comments to be submitted for a 90 day period, so that everyone can provide feedback on the input from the meetings. Following that period, we will begin to create a draft Consultation Policy that will be further shared for comment as we proceed to the final stages.

Once again, thanks to everyone who has participated to date. I look forward to the continuing involvement by all interested parties as we craft a policy that best meets the needs of all parties.

Christie Jacobs



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To add your name or e-mail address to our mailing list, please contact us via e-mail at Judy.M.Pearson@irs.gov, or call Judy Pearson at (907) 271-6949.

Account or Tax Questions??
Call Customer Account Services at 1-877-829-5500



On-Line Employment Tax Guide

Employees from the office of Indian Tribal Governments recently completed a detailed Employment Tax Guide for Tribal Governments that has been posted to the ITG Internet site at www.irs.gov/tribes. The final document contains extensive narrative on withholding, deposit, and return filing requirements, as well as discussion on taxable benefits and remittance issues. Detailed examples are included as an aid to the proper completion of various forms.

We hope that this Guide is a useful reference source. We intend to update it regularly so that it remains current. We welcome your comments, as well as suggestions for further enhancements to both this on-line guide and our web site in general.

Federal Unemployment Tax

The Consolidated Appropriations Act of 2000 provided that tribal entities did not have to pay Federal Unemployment Tax (FUTA) or file Forms 940 if they participated in State Unemployment Tax (SUTA) programs under either a contributory or reimbursement basis. While SUTA participation could result in savings to tribes, the Act also mandated that the electing tribal entity remain in compliance with the state programs in order to secure relief from FUTA. Any failure to pay amounts due to the state unemployment program results in the reactivation of the requirement to pay federal unemployment tax.

While it may seem that this change is relatively simple, it has added complexities. One issue is the need for the IRS and State Unemployment agencies to exchange information on tribal participation and compliance with SUTA. An additional complexity is the need to ensure that our records accurately reflect the filing requirement for each tribal entity, and are continually updated as SUTA participation and compliance changes.

As a result of these complexities, we have encountered several situations where tribes have received IRS notices soliciting Form 940, even though they are participating in SUTA and are in full compliance. We have determined that most of these notices are in error, and we are completing steps to correct our records. We apologize for any inconvenience, but we cannot guarantee that additional errors will not occur. If your entity receives a notice regarding Form 940, but is participating in SUTA and is in full compliance, **please contact your ITG Specialist as soon as possible**. We will investigate the matter, and either make the necessary correction in our records, or advise you why the notice was received.

A New Method to Contact Us

In response to your feedback, we want to make it easier for you to contact us. Effective immediately you can contact Judy Pearson, our Indian Tribal Governments Specialist in Alaska, by calling her toll-free pager at 888-733-6502, and leaving a callback telephone number. Judy will return your call as soon as possible.

Our web site at www.irs.gov/tribes contains an extensive listing of Frequently Asked Questions, that may assist you in resolving issues, including employment tax questions.

The site also allows for the submission of e-mail inquiries if you cannot locate an answer, or cannot reach your assigned ITG Specialist for assistance.



Tax Schemes in Indian Country

Abusive schemes to avoid taxation are a current area of focus by both the Internal Revenue Service and Congress. While tax shelters and offshore schemes have existed for several decades, they are receiving renewed interest in an era of globalization of our economy, and tight fiscal constraints for both businesses and governments.

Promoters of schemes to avoid or evade taxation have continually devised new “products” to market to anyone interested in saving money (and that will always be a large audience). In recent years, they have focused some attention on Indian tribes, with particular emphasis on exploiting their tax status as a government. The schemes include, but are not limited to:

- § joint ventures between tribes and outside parties, where income, deductions, and capital gains are not allocated between the parties during the life of the venture in the same manner as the amount of each party’s investment,
- § the misuse of sections of the law intended to benefit tribal entities, such as attempting to secure relief from FUTA by misrepresenting an entity as being tribally-owned, and
- § the misuse of tribal sovereignty or tribal enterprises to attempt to hide financial transactions from scrutiny by regulatory authorities.

If you are approached by someone who purports to have a business opportunity that is “too good to be true”, you need to be wary. Key considerations should include:

- § Is this the type of venture that governments usually enter?
- § Is the venture adequately supported by a reliable legal opinion from a disinterested third party?
- § Is the financial return equally balanced between the tribe and outside participants?
- § Is there substance to the transaction, or is it principally motivated as a tax avoidance scheme?
- § Is the promoter promising revenue to the tribe in exchange for tax savings to a third party?
- § What oversight role in the venture will the tribe have?

The office of Indian Tribal Governments wants to work with tribes to ensure that promoters of abusive schemes do not gain a foothold in Indian Country. To that end, we encourage you to contact us if you are approached by anyone promoting what appears to be an abusive scheme. We will be creating a link on our web site that will include updates on identified schemes, as well as an e-mail link to report any schemes. In the interim, you can contact Ken Voght by telephone at (716) 686-4860, or by e-mail at kenneth.g.voght@irs.gov to discuss or report schemes.

The office of Indian Tribal Governments is forming a special unit to work with tribes on this issue. Our Abuse Detection And Prevention Team welcomes the involvement of any tribal stakeholders in addressing this area, and ensuring that outside parties do not attempt to use tribal sovereignty and status as a cover for illegal or unethical activities. By partnering together in this area we can meet the interests of all governments in protecting revenues and mitigating potential problems for the future.

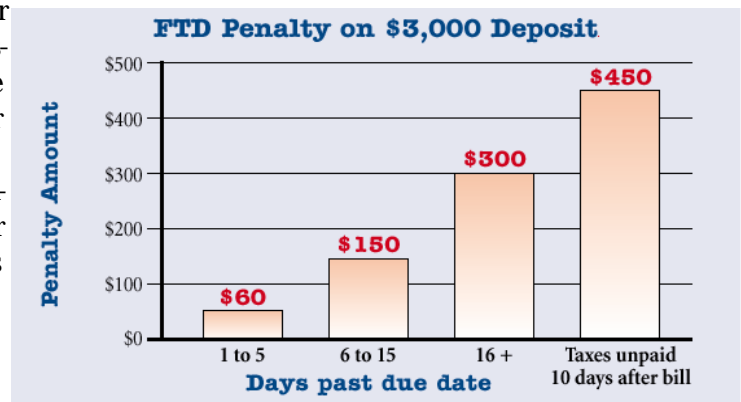


The Basics of Federal Tax Deposits

When you pay your employees, you do not pay them all the money they earned. The income tax and the employees' share of FICA (Social Security and Medicare) that you withhold from your employees' paychecks, are part of their wages you pay to the Treasury instead of to your employees. The portion of their wages you hold for transmitting to the Treasury is called "Trust Fund" taxes. Through this withholding, your employees pay their contributions toward their retirement benefits (Social Security and Medicare) and the income taxes reported on their own tax returns. Your employees' trust fund taxes, along with the employer's matching share of FICA, are paid to the Treasury through the Federal Tax Deposit (FTD) System.

As you can see, the part of your employees' wages that you do not give them is actually their money. You should deposit these amounts on time for their benefit. Postponing the tax deposit isn't the same as using your own money to make late payment on a phone bill or to a supplier. Congress established large penalties for employers that delay in turning over employment taxes to the Treasury. If you delay paying that money, the more it could cost you.

To illustrate how much it will cost you to make your Federal Tax Deposits late, consider this example. Assume your monthly liability for (1) withheld income tax, (2) Social Security and Medicare tax, and (3) your employer's matching share totals \$3,000 per month. Review the graph to see how quickly a penalty for making late deposits increases. As you can see, using your trust fund taxes to finance your other operating costs can be very expensive.



Who must make deposits?

Deposits are **required** if you file Form 941 with \$2,500 or more in taxes per quarter.

What taxes must be deposited?

- Income tax withheld from your employees
- FICA (Social Security and Medicare) tax withheld from your employees
- FICA (Social Security and Medicare) — the employer's share

Important Difference

- Making deposits and filing employer returns with payments are not the same.
- Taxes are **reported** by filing, and **paid** by depositing.

When should you make Form 941 tax deposits?

- If your total taxes for the quarter are less than \$2,500, they can be paid with the return or deposited by the return due date.
- If your total taxes on Form 941 are \$2,500 or more, you'll need to determine which deposit schedule to follow.
- The easiest/safest way is to make a deposit the **same day** you make payroll, or anytime **no later than the deposit due date**.

What is your deposit schedule?

To determine your deposit schedule, you need to review the amounts of tax reported on your earlier Forms 941. This will establish your "lookback period," which is the twelve month period ending June 30 of the previous year. For 2004 taxes, you need to look back from July 1, 2002 to June 30, 2003. In other words, you look back the last two quarters of 2002 and the first two quarters of 2003.

Lookback Period for 2004 Deposits	
July 1, 2002 through June 30, 2003	
2002	2003
Third & Fourth Quarters	First & Second Quarters
07/01/2002 through 09/30/2002	01/01/2003 through 03/31/2003
10/01/2002 through 12/31/2002	04/01/2003 through 06/30/2003

After you determine your lookback period, you need to total the taxes reported on Forms 941, Line 11, during this period. Once you determine your total tax during the lookback period, it is easy to determine your deposit schedule:

- If total taxes are \$50,000 or less, you make **Monthly Schedule Deposits**.
- If total taxes are greater than \$50,000 you make **Semiweekly Schedule Deposits**.

Example for Monthly Schedule Depositor	
Quarter ending	Tax from Line 11, Form 941
September 30, 2002	\$ 8,385.44
December 31, 2002	11,216.18
March 31, 2003	13,455.26
June 30, 2003	<u>15,407.64</u>
Total Taxes in Lookback Period	\$ 48,464.52

In this example, the total taxes during the lookback period are **\$48,464.52**. Since this is less than \$50,000, the employer is a monthly schedule depositor for 2004.

In this example, the total taxes during the lookback period are **\$55,245.78**. Since this is more than \$50,000, the employer is a semiweekly schedule depositor for 2004.

Example for Semiweekly Schedule Depositor	
Quarter ending	Tax from Line 11, Form 941
September 30, 2002	\$ 15,253.76
December 31, 2002	13,461.56
March 31, 2003	11,769.52
June 30, 2003	<u>14,760.94</u>
Total Taxes in Lookback Period	\$ 55,245.78

Summary of Steps to Determine Your Deposit Schedule

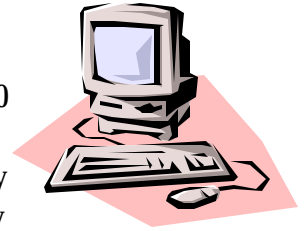
- Identify your lookback period.
- Add the total taxes you reported during the lookback period.
- Determine your deposit schedule; if total taxes are:
 - \$50,000 or less, you make **Monthly Schedule Deposits**.
 - Greater than \$50,000 you make **Semiweekly Schedule Deposits**.

Employers are required to determine their own deposit schedule. Deposit schedules remain the same for the entire calendar year unless you meet one of the exceptions explained below.

Exceptions to Deposit Schedules

1. \$100,000 Next- Day Deposit Rule:

- If, during any **deposit period**, you accumulate a tax liability of \$100,000 or more, you must make a deposit by the next banking day.
- Once you meet the \$100,000 next-day rule, you follow the semiweekly schedule for all deposits less than \$100,000. You are a semiweekly schedule depositor for the rest of the year, and during all of the next calendar year.



2. Banking Days

- If your deposit is due on a non-banking day, make it by the close of the next banking day.
- Federal and state bank holidays, Saturdays and Sundays are non-banking days.

Description of Deposit Schedules

Now that you know how to determine if you are a **Monthly** Schedule Depositor or a **Semiweekly** Schedule Depositor, you are ready to learn the deposit requirements for each schedule.

Monthly Schedule Depositors —

Deposit each month's taxes by the 15th of the next month.

>>>>>

JULY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31



AUGUST						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Deposits for payroll paid any day in July are due on (or before) August 15.

ANY WEEK						
SUN	MON	TUE	WED	THU	FRI	SAT
						Payday
Payday	Payday	Payday			Deposit	

For wages paid Saturday, Sunday, Monday or Tuesday, deposit taxes by following Friday.

ANY WEEK						
SUN	MON	TUE	WED	THU	FRI	SAT
			Payday	Payday	Payday	
			Deposit			

For wages paid Wednesday, Thursday, or Friday, deposit taxes by following Wednesday.

<<<<<<

Semiweekly Schedule Depositors —

Most employers will make deposits on Wednesdays or Fridays, depending on when you pay payroll.

Where are deposits made?

You make federal tax deposits at any authorized financial institution, such as a commercial bank. As an alternative, you may mail the deposits to:

Financial Agent
 Federal Tax Deposit Processing
 P.O. Box 970030
 St. Louis, MO 63197

You must not send these tax deposits directly to the IRS because this will delay getting the money into the Treas-



How are deposits made?

Deposits can be made:

1. manually with Form 8109 Federal Tax Deposit (FTD) Coupon, or
2. electronically using your phone or computer.

How are deposits made manually?

1. Complete a Federal Tax Deposit Coupon, Form 8109.
2. Make the check or money order payable to the depository (bank).
3. Mail or deliver the Form 8109 deposit coupon with your payment so that it will arrive at the bank no later than the deposit due date.

How do I make electronic federal tax deposits?

Using your phone or personal computer and the **Electronic Federal Tax Payment System** (EFTPS), you can arrange for your tax deposits to be transferred directly from your existing bank account to the Treasury. This system is an alternative to using the paper-based FTD coupon method for making deposits. Any federal taxes deposited using an FTD coupon can be deposited electronically. For deposits made by EFTPS to be on time, you must initiate the transaction at least one business day before the date the deposit is due.

Do I need to obtain special equipment in order to use EFTPS?

No, you may use any telephone or your personal computer to input your tax deposit information. If you choose to use your personal computer, you will be provided with free EFTPS software to process the transfer of funds, or pay on-line from our website at: www.eftps.gov.

How do I sign up for EFTPS?

Enroll online at www.eftps.gov or call 1-800-945-8400 or 1-800-555-4477 to request an enrollment form. You complete the enrollment form and return it to the EFTPS Enrollment Center. The center, in turn, will send you a Confirmation Packet, including a step-by-step Payment Instruction Booklet and the telephone numbers for accessing EFTPS.

Electronic deposit requirement.

You **must** make electronic deposits using the Electronic Federal Tax Payment System (EFTPS) in 2004 if:

- Your total deposits of employment taxes in 2002 were more than \$200,000 or
- You were required to use EFTPS in 2003.
- You should receive a notice by mail from the IRS if you are required to use EFTPS.

Is there a difference in how I complete the Form 941?

- **Monthly depositors** must enter the Monthly Summary of Federal Tax Liability on the face of the tax return by completing **line 17** of Form 941.
- **Semiweekly depositors** must submit a **Schedule B**, Employer's Record of Federal Tax Liability as an attachment to Form 941. Semiweekly depositors **do not** complete line 17 of Form 941.
- **Note:** *These are a summary of your tax liability, **not** a summary of deposits made. If line 13 is less than \$2,500, **do not** complete line 17 **or** Schedule B (Form 941). If you fail to complete a summary of your tax liability, **you may get a penalty.***

Federal Tax Deposit Penalties

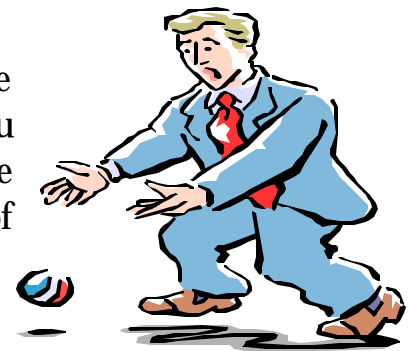
As you previously learned, it is important to make **timely** federal tax deposits because most of the money belongs to your employees. If you make these deposits late, you will receive a penalty. This penalty is called a “failure to deposit” penalty and is computed by multiplying the amount of tax you have underpaid by a penalty percentage rate based on how many days late you make the deposit. These penalties for late deposits are expensive. For amounts not properly or timely deposited, the penalty rates are shown on the table at the right.

Failure to Deposit Penalty Percentage Rates	
Late Period/ Reason for penalty	Penalty Percentage Rate
Deposits made 1-5 days late	2%
Deposits made 6-15 days late	5%
Deposits made 16 + days late	10%
Taxes unpaid after the 10th day following the 1st IRS bill	15%
Deposit made at unauthorized financial institution	10%
Amounts subject to Electronic Deposit requirements but not deposited via EFTPS	10%

In addition to the above deposit penalties, you will also be subject to penalties if you late file your Form 941, or don't pay the amount due on the return:

Other Penalties		
	RATE	MAXIMUM
Late Filed Tax Return	5% per month of unpaid tax	25%
Late Paid Tax	½% per month of unpaid tax, then 1% after Notice of Intent to Levy	25%

Please review your payroll procedures to determine if you are making timely deposits. When you make timely deposits, you avoid penalties. When you avoid penalties, money is available for other governmental needs. Don't let penalties get out of hand. They **are** avoidable!!!



Summary of steps to avoid Failure to Deposit Penalties:

- Make deposits on or before the deposit due date.
 - Make your deposit any time between the payroll liability incurred date and the deposit due date.
 - You are not required to wait until the due date nor will you receive a penalty for making deposits prior to the due date.
 - Mail or deliver the Form 8109 deposit coupon with your payment so that it will arrive at the bank no later than the deposit due date.
 - For deposits made by EFTPS to be on time, you must initiate the transaction **at least one business day before the date the deposit is due.**
- Make deposits with an authorized depository.
- Include a summary of your tax liability with Form 941.
 - Monthly depositors use line 17 of Form 941.
 - Semiweekly depositors use Schedule B, Employer's Record of Federal Tax Liability.

Pull-tabs Filing Requirements

Tribes selling pull-tabs should be aware that they are required to file:

- Form 730 Monthly Tax Return for Wagers
- Form 11-C Occupational Tax and Registration Return for Wagering

Form 730 is a **monthly** return that must be filed by the last day of the month following the month for which taxable wagers are reported. The wagering tax is imposed on gross wagers received and is based on the total amount received before any payout of prizes or other expense. If the wager is authorized under the law of the state in which it is accepted, the rate of tax is 0.25 percent of the amount of the wager. Thus, if the gross wagers are \$1,000, the tax is \$2.50 (\$1,000 x .0025).

Example: The wagering tax applies to tribes selling pull-tabs. The tax applies to the gross sales per box. If a box of \$1 pull-tabs contains 2,400 cards and the entire box is sold, the tax is computed on \$2,400. The tax reportable on Form 730 for the month is \$6.00 (\$2,400 x .0025).

Form 11-C is an **annual** return which applies to persons receiving taxable wagers, whether they receive compensation or are volunteers. Both the tribal government and agents (persons who accept taxable wagers on behalf of the tribe) must file Form 11-C to register and to pay the occupational tax before wagers are accepted and annually thereafter. If the wager is authorized under the law of the state in which it is accepted, the amount of the occupational tax is \$50 per year per person.

Example: A tribe sells pull-tabs and arranges for 10 people to receive wagers from the public on the tribe's behalf. The tribe also employs a secretary and a bookkeeper. The tribe and each of the 10 persons are liable for the occupational tax. They must each file Form 11-C and pay occupational tax. The secretary and bookkeeper are not liable for the tax unless they also accept wagers for the tribe.

If you are selling pull-tabs and need further information, please contact one of the Specialists listed below.

ITG Specialist for the Pacific Northwest			
Judy Pearson	Anchorage, AK	907-271-6949	Judy.M.Pearson@irs.gov
Carol Czolowski	Ogden, UT	801-620-5048	Carol.A.Czolowski@irs.gov
Connie Perkins	Salem, OR	503-399-5623 ext. 251	Connie.K.Perkins@irs.gov
John Mandeville	Spokane, WA	509-353-0807	John.M.Mandeville@irs.gov
Bill Barker	Spokane, WA	509-353-0825	William.J.Barker@irs.gov
Michael Fehrenbacher	Vancouver, WA	360-696-7643 ext. 227	Michael.Fehrenbacher@irs.gov
Debra Thompson, Mgr	Las Vegas, NV	702-455-1379	Debra.W.Thompson@irs.gov

Federal Tax Calendar for First Quarter 2004

January 2004

SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5 * Payroll date 12/27-12/30	6	7 * Payroll date 12/31-1/2	8	9 * Payroll date 1/3 -1/6	10
11	12 Employees report December tips to employer	13	14 * Payroll date 1/7 -1/9	15 ** Monthly payroll/non-payroll tax deposit for December	16 * Payroll date 1/10-1/13	17
18	19	20	21	22 * Payroll date 1/14-1/16	23 * Payroll date 1/17-1/20	24
25	26	27	28 * Payroll date 1/21-1/23	29	30 * Payroll date 1/24-1/27	31

February 2004

SUN	MON	TUE	WED	THU	FRI	SAT
1	2 Issue Forms W-2/W-2G/1099 to recipients of income	3	4 * Payroll date 1/28-1/30	5	6 * Payroll date 1/31-2/3	7
8	9	10 Employees report January tips to employer	11 * Payroll date 2/4 -2/6	12	13 * Payroll date 2/7 -2/10	14
15	16	17 ** Monthly payroll/non-payroll tax deposit for January	18	19 * Payroll date 2/11-2/13	20 * Payroll date 2/14-2/17	21
22	23	24	25 * Payroll date 2/18-2/20	26	27 * Payroll date 2/21-2/24	28
29						

* = Make a Payroll Deposit if you are under the semi-weekly deposit rule. ** = Make a Monthly Deposit if you qualify under that rule.

NOTE: Deposits made through EFTPS are due one day prior to the dates listed.

March 2004

SUN	MON	TUE	WED	THU	FRI	SAT
	1 File Forms W-3 and 1096 filed by paper or magnetic media	2	3 * Payroll date 2/25-2/27	4	5 * Payroll date 2/28-3/2	6
7	8	9	10 * Payroll date 3/3-3/5 Employees report February tips to employer	11	12 * Payroll date 3/6-3/9	13
14	15 ** Monthly payroll/non-payroll tax deposit for February	16	17 * Payroll date 3/10-3/12	18	19 * Payroll date 3/13-3/16	20
21	22	23	24 * Payroll date 3/17-3/19	25	26 * Payroll date 3/20-3/23	27
28	29	30	31 * Payroll date 3/24-3/26 File Forms W-3 and 1096 filed electronically			

*= Make a Payroll Deposit if you are under the semi-weekly deposit rule.

**= Make a Monthly Deposit if you qualify under that rule.

NOTE: Deposits made through EFTPS are due one day prior to the dates listed

Return Filing Dates

By February 2

File Form 941 for the fourth quarter of 2003. If the tax was deposited in full and on time, file by February 10.

File Form 940 if not participating and compliant with State Unemployment, or not an entity 100% owned by the tribe. If the tax was deposited in full and on time, file by February 10.

File Form 730 on applicable wagers accepted during December 2003.

File Form 945 for 2003. If the tax was deposited in full and on time, file by February 10.

By March 1

File Form 730 for applicable wagers accepted during January 2004.

File Form 8027 for food and beverage establishments meeting the 80 equivalent hour test.

By March 31

File Form 730 for applicable wagers accepted during February 2004.

For entities with Tip Rate Determination Agreement or a Gaming Industry Tip Compliance Agreement, file the annual report required by the agreement.



EFTPS-FTD PENALTY REFUND INITIATIVE

On January 1, 2004 the Internal Revenue Service (IRS), EFTPS-FTD penalty refund offer will be implemented nationwide. This offer allows **paper coupon users** who were assessed a Form 941 deposit penalty the opportunity to receive a one-time penalty refund of up to \$1,000. **To qualify**, the employer must use EFTPS for one year (four consecutive quarters) and make all their Form 941 payments on time.

In April 2005, after the returns are filed for the fourth quarter of 2004, the IRS will automatically determine which employers have achieved the 4 quarters of EFTPS compliance and reverse the taxpayer's most recent full-paid FTD penalty. The refunds will be issued on a quarterly basis following the scheduled Form 941 due dates.

Q. Do I have to start using EFTPS at the beginning of the year, in January, in order to qualify for the refund?

A. No, you can start your "year" of EFTPS use at the beginning of any quarter, but you must use EFTPS for one year (four consecutive quarters). The first quarter that can be counted toward the "year" of EFTPS use begins in January 2004.

Q. Which penalty will be refunded?

A. IRS will "look back" up to 4 quarters prior to your EFTPS quarters, and abate the most recent deposit penalty. You will want to complete your four EFTPS quarters before your most recent penalty is too far in the past to be refunded.

Q. How long will it take to receive my refund?

A. Checks will be issued quarterly about 10 weeks after the due date of the Form 941. If you have outstanding tax liabilities, your refund will first be applied to those liabilities and the excess, if any, will be refunded.

Q. Can I pay with a check for some quarters and still receive my penalty refund?

A. No, to qualify for a refund you must use EFTPS to pay all your Form 941 taxes for all four quarters, including payments you make with your Form 941.

Q. Do I still have to pay the penalty already assessed?

A. Yes, but if you qualify for the refund you'll get that money back with interest.

Here's how you claim a one-time refund of your late deposit penalty payment:

- 1** Enroll in EFTPS.
- 2** Use EFTPS for one year (four quarters) and deposit all your Form 941 taxes on time.
- 3** After using EFTPS for one year (four consecutive quarters) to timely deposit all your Form 941 taxes, IRS will automatically remove the penalty (up to \$1,000) and refund your money.

We'll verify that you've used EFTPS and deposited on time and we'll refund the penalty!

**Enroll today.
Use EFTPS to your benefit.**