IDAHO INSTALLMENT PAYMENT AGREEMENTS

The Idaho State Tax Commission knows that it may not always be possible to pay your state taxes on time. We offer two payment options that can help you pay your taxes now **and** in the future. If you cannot pay the full amount of the Idaho income taxes you owe, and want to sign up for one of these plans, you must:

- √ File all prior year tax returns that have not yet been filed;
 and
- √ Agree to pay all future taxes on time. This means you must have enough income tax withheld from your pay to equal the amount you owe when you file your future tax returns on time. If you do not do this, we will stop your payment agreement and begin collecting any unpaid balance you owe for all tax years.

Please note that **Option I is a one-time opportunity** to help you with your tax responsibilities.

COMMON QUESTIONS

How soon will I hear from you?

If you select Option I, we will respond to your request within 30 days. If your request is approved, you will receive a notice that shows your payment amount and the day of the month it will be withdrawn.

If you select Option II, you will receive a series of billing letters from us. You may make voluntary payments during this period. Once we file the state tax lien, our Compliance section will contact you to set up a payment plan.

Why should I make my payments as large as possible?

Penalty and interest charges apply to the tax you owe. These charges are added to the amount you owe until your balance is paid in full. The sooner you pay the debt, the less penalty and interest you owe.

What happens if I don't have enough money in my bank account?

If there is not enough money in your account to cover your payment, your installment agreement will be cancelled. You will receive a default notice, and we will require payment in full within 30 days.

What will happen next year if I have a refund coming and I'm still making payments?

Any state tax refund you are due will be applied to the taxes you owe. However, you must still make your payment for that month if there is a balance due.

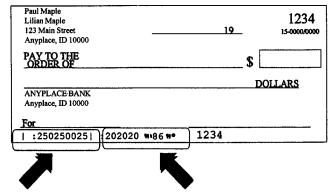
Why will you file a lien if I don't choose the Automatic Withdrawal option?

With the Automatic Withdrawal, we are not required to monitor your payments; they are automatic and the state is not at risk unless you default. When you choose Option II, the payment method is not automatic, and places the money you owe Idaho at higher risk.

How can I make sure that I don't have a future liability?

Contact your employer to adjust your W-4 form to make sure enough money is being withheld. You may also make voluntary estimated payments.

Where can I find my bank routing number and account number?



ROUTING NUMBER ACCOUNT NUMBER

Note: The routing and account numbers may appear in different places on your check.

What happens if I need to change my banking information?

We must receive your new information three weeks before your normal withdrawal date in order to meet bank deadlines. Send a voided check from your new account, along with a letter explaining what you need, to the address on the front of this form (at the top).

What if I want payments withdrawn from my savings account?

Instead of sending a voided check, send a voided deposit slip that includes your routing number and account number.

FOR MORE INFORMATION

If you would like to learn more about the Idaho Installment Payment agreement, please call us toll free at 1-800-972-7660, or contract your local Idaho State Tax Commission office.

Boise (208) 334-7660 800 Park Blvd., Plaza IV

Coeur d'Alene (208) 769-1500 1910 Northwest Blvd., Suite 100

Idaho Falls (208) 525-7116 150 Shoup Ave., Suite 16 **Lewiston** (208) 799-3491 1118 F Street

Pocatello (208) 236-6244 611 Wilson Ave., Suite 5

Twin Falls (208) 736-3040 1038 Blue Lakes Blvd. N., Suite C