

# TaxNewsFlash

## United States

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### **IRS requires electronic payment of user fees for letter rulings, closing agreements, and other rulings**

The IRS today issued a release announcing that taxpayers requesting letter rulings, closing agreements, and certain other rulings will need to make user fee payments electronically using the federal government's Pay.gov system beginning August 16, 2017. Checks will no longer be accepted.

This new requirement mandating electronic payment of user fees is being phased in beginning June 15, 2017, and ending August 15, 2017.

As explained in today's IRS release—[IR-2017-102](#) (June 1, 2017)—taxpayers and others requesting rulings from the IRS historically could only make the required user fee payments by check or money order. During a two-month transition period, June 15 to August 15, those requesting rulings can choose to make user fee payments either electronically through Pay.gov or by check or money order. After August 15, 2017, Pay.gov will become the only permissible payment method. Fees may be paid at Pay.gov using credit and debit cards or via direct debit or electronic funds transfer from a checking or savings account.

#### **Affected ruling requests**

The IRS release identifies the rulings subject to the electronic payment requirement as those described in Rev. Proc. 2017-1 and sent to the Docket, Records and User Fee Branch of the Legal Processing Division of the Associate Chief Counsel (Procedure and Administration). These include private letter rulings, closing agreements, and rulings using Form 1128, 2553, 3115 or 8716.

Determination letters are not affected because they are sent to other offices (described in Rev. Proc. 2017-1).

While Pay.gov will be used to accept payments only, the IRS explained that the original, signed ruling request and supporting materials must still be submitted by mail or hand delivery to the IRS.

## **Paying electronically**

The IRS release directs taxpayers that, to submit a user fee, they need to go to [www.pay.gov](http://www.pay.gov) and select the form for the IRS Chief Counsel User Fees (or Supplemental User Fees) for Form 1128, Form 2553, Form 3115, Form 8716, Private Letter Rulings and Closing Agreements. This form can be found by entering "IRS Chief Counsel User Fees" in the "Search the Forms" box or by clicking on the "Agency List" link under "What Federal Agencies Can I Pay?" and choosing IRS.

Once payment is made, taxpayers are directed to print a copy of the completed form and the payment receipt and file with the original, signed letter ruling request to the address set forth in Rev. Proc. 2017-1.

The IRS also notes that "for the fastest processing," e-fax a copy of the Pay.gov receipt, the completed form and the ruling request to an e-fax line, 877-773-4950. Thereafter, the original, signed ruling request and supporting materials must still be submitted by mail or hand delivery to the IRS.

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