

About EFTPS...FREQUENTLY ASKED QUESTIONS (FAQs)

Q. What is EFTPS?

- A.** EFTPS is the Electronic Federal Tax Payment System developed by the U.S. Department of the Treasury's Internal Revenue Service (IRS) and Financial Management Service (FMS), to enable taxpayers to pay their federal taxes electronically. The system allows taxpayers to use the Internet (www.eftps.gov), personal computer (PC) software, or phone to initiate tax payments to EFTPS directly. EFTPS payments may also be initiated through your financial institution. It's convenient, secure, and timesaving.

Q. Who can use EFTPS?

- A.** Any individual taxpayer, especially those making 1040ES payments or more than one tax payment a year, can use EFTPS. Any business taxpayer can use EFTPS for any tax type.

Q. Is there a cost to use EFTPS?

- A.** No. EFTPS does not charge taxpayers for its services. However, if you choose to use EFTPS-Through a Financial Institution or the Same Day Payment mechanism (both available only to businesses) you may incur a fee from your financial institution. Please check with your financial institution directly to inquire about their fee structure.

Q. Do I need to enroll to use the service?

- A.** Yes. You can enroll through the Internet at www.eftps.gov, or by completing an enrollment form available from EFTPS Customer Service at 1-800-555-4477 or 1-800-945-8400.

Q. What are the benefits of using EFTPS?

- A.** EFTPS offers you many benefits over the traditional paper system:
- **it's fast...**you can make a tax payment in minutes
 - **it's accurate...**because there are verification steps along the way, you are able to check and review your information before it is sent
 - **it's convenient...**EFTPS is available to you by Internet, PC software or phone—24 hours a day, 7 days a week, and can be used to schedule payments in advance
 - **it's easy to use...**it's a step-by-step process that tells you what information you need to successfully complete your tax payment for any federal tax
 - **it's secure...**EFTPS offers the highest levels of security on the Internet

Q. How does EFTPS work?

- A.** You make your tax payments at least one calendar day prior to the tax due date using EFTPS-Direct. Based on your instructions, EFTPS initiates a debit against your bank account and your tax records are updated with the IRS. You can use EFTPS-OnLine (www.eftps.gov), EFTPS-PC Software or EFTPS-Phone to make your payments.

With EFTPS-Through a Financial Institution, you will initiate your tax payment through a service offered by your financial institution. Your financial institution will debit your account and send the tax payment electronically. You should first check with your financial institution to see if they offer the service and the fees involved.

Q. Who is required to use EFTPS?

- A.** Some business taxpayers are required to use EFTPS because they have met certain criteria. If your total deposits of all federal taxes (including employment taxes, income taxes, Railroad Retirement taxes, Social Security taxes, and various other types of non-payroll withholding taxes) during a calendar year exceed \$200,000, you are required to use EFTPS beginning in the second succeeding calendar year. For example: if you had more than \$200,000 in federal tax deposits in calendar year 2001, you are required to use EFTPS beginning January 2003.

Q. What types of taxes can be paid through EFTPS?

- A.** Individual taxpayers can pay all individual tax types including estimated taxes, balance due payments, installment payments, even estate and gift taxes. Business taxpayers can pay all types of federal taxes, including employment taxes, excise taxes, and corporate income taxes.

Q. How long does it take to complete the online enrollment process?

- A.** It should take you no more than 10 minutes to complete the online New Taxpayer Enrollment Form. Once EFTPS receives and verifies your information, Confirmation materials that include instructions on how to obtain your Internet Password will be mailed to the name and address you entered on your enrollment form. Additionally, your PIN will be mailed to your official IRS address of record (this is the address that appears on your tax returns or IRS documents). You should receive your Confirmation materials within 10-15 business days after you complete your enrollment.

Q. Who controls making the tax payments?

- A.** It's your responsibility to initiate the tax payment. It will not occur automatically. Funds will only be debited from your account on the date and in the amount you indicate when making a payment through EFTPS.

Q. Can I schedule payments in advance?

- A.** Yes. Business taxpayers can schedule tax payments up to 120 days in advance, and individual taxpayers can schedule payments for up to 365 days in advance of due date.

Q. How do I know my payment was made?

- A.** Every EFTPS transaction receives an immediate EFT Acknowledgement Number that can be used as a receipt of the transaction, and is used for checking status, tracking and communicating with the IRS. Only tax information is sent to the IRS. All financial institution information resides within EFTPS and is not shared with the IRS.

Q. What if I use a Payroll Service or Accountant?

- A.** You should still enroll in EFTPS, even if you use a third party (such as a payroll service or accountant) to make your tax payments. Check with your provider to determine which taxes they are paying on your behalf. If you wish to make payments other than those being made by a third party, you will need to complete an additional Enrollment through EFTPS-OnLine or by calling 1-800-555-4477 or 1-800-945-8400 for a paper enrollment form.

Q. Does the government have access to my checking account?

- A.** No. No one has access to your bank account unless you allow them. No money is exchanged and the IRS does not have access to your checking account information. Only tax information is sent to the IRS to update your tax records.

