



# ELECTRONIC FEDERAL TAX PAYMENT SYSTEM (EFTPS)

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EFTPS is quickly becoming the easiest way for taxpayers to make their Federal tax payments. EFTPS was created by the U.S. Department of Treasury in 1995 to modernize tax payments - moving Federal tax payments from a paper-based system to an electronic one.

## WHO CAN PARTICIPATE

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EFTPS is available for businesses, financial institutions, payroll companies, tax practitioners and individuals.

## HOW TO PARTICIPATE

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To participate in EFTPS, you must enroll by calling EFTPS Customer Service to get an enrollment form and instructions. Complete and mail your form to the address on the form. When you receive your confirmation package and Personal Identification Number (PIN), you'll have everything you need to use EFTPS.

Once enrolled in EFTPS, your business can use EFTPS to make tax payments electronically for the following taxes:

Form 720	<i>Quarterly Federal Excise Tax Return</i>
Form 940	<i>Employer's Annual Federal Unemployment Tax (FUTA) Return</i>
Form 941	<i>Employer's Quarterly Federal Tax Return</i>
Form 943	<i>Employer's Annual Tax Return for Agriculture Employees</i>
Form 945	<i>Annual Return of Withheld Federal Income Tax</i>
Form 990-C	<i>Farmer's Cooperative Association Income Tax Return</i>
Form 990-PF	<i>Return of Private Foundation</i>
Form 990-T	<i>Exempt Organization Business Income Tax Return Section 4947(a)(1) Charitable Trust Treated as a Private Foundation</i>
Form 1041	<i>Fiduciary Income Tax Return</i>
Form 1042	<i>Annual Withholding Tax Return for U.S. Sources of Income of Foreign Persons</i>
Form 1120	<i>U.S. Corporation Income Tax Return</i>
Form CT-1	<i>Employer's Annual Railroad Retirement Tax Return.</i>
Section 4947(a)(1)	<i>Charitable Trust Treated as a Private Foundation</i>

In addition, you can use EFTPS to make non-depository payments of Federal income, estimated, estate and gift, employment, and various specified excise taxes.



When you enroll in EFTPS you can select a payment method. There are two primary payment methods. You can select either or both.

- EFTPS Direct - This method instructs EFTPS to move the funds from your account to the Treasury's account on the date you designate. Select the Automated Clearing House (ACH) Debit method on the enrollment form.

This option can be used by calling a toll-free number and using the automated telephone system or you can choose to use your personal computer (PC) and you will be sent free EFTPS, Windows-based software. You should schedule your tax payment at least one business day prior to your tax due date, before 8:00pm ET.

- Through a Financial Institution - This method instructs your financial institution to electronically move funds from your account to Treasury's account. Select the ACH Credit method on your enrollment form.

**Note:** You should first check with your financial institution to learn if they offer ACH Credit service, how much they charge, and if you are eligible to use it. Not all financial institutions offer ACH Credit origination services.

Payments can also be made by making same day payment or using your payroll company. The cost of the same day payment is typically higher than the other payment methods. Please, check with your financial institution for its fees.

If you choose to allow your payroll company to make tax payments on your behalf, check for specific fees, deadlines and instructions pertaining to EFTPS enrollment. You will also need to determine which taxes they are paying for you. If the company is not making all of your tax payments through EFTPS, you will need to enroll in EFTPS to initiate those tax payments not handled by the payroll company.

## **BENEFITS**

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### **Convenient**

- Schedule payments 24 hours a day 7 days a week.
- Access using a telephone or PC.

### **Easy to Use**

- Free EFTPS, Windows-based software for your PC.

### **Accurate**

- More accurate than the paper coupon system.
- The system verifies the information.

### **Fast and Economical**

- Less burdensome than writing checks.
- No more trips to the bank, stamps, envelopes.
- Takes minutes to make a tax payment.
- No fees are charged by the government.

## FOR FURTHER INFORMATION

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EFTPS Customer Service can be reached by dialing 1-800-945-8400 or 1-800-555-4477.

You may order the following publications by calling 1-800-829-3676.

Publication 966 (Rev. 7/98), *The Easiest Way to Pay Your Federal Taxes - Brochure*

Publication 3127 (Rev. 6/99), *EFTPS Fact Sheet*

Publication 3110 (Rev. 6/99), *EFTPS Information Stuffer*

Publication 3425 (Rev. 7-99) *4 Easy Ways to Use EFTPS -Brochure*

Form 9779, (Rev. 6/99) *EFTPS Business Enrollment Form*

Form 9783 (Rev. 2-96) *EFTPS Individual Enrollment Form*

If you have questions about EFTPS or other electronic business options, you may visit the Electronic Services section of the IRS web site at [www.irs.gov](http://www.irs.gov).

## FUTURE INITIATIVES

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Mid-year 2000, Internet capabilities for enrolling and making payments will be available.